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Southeast Asia Report



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4 November 1985

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INDONESIA

KOMPAS REPORTS TALKS BETWEEN SUHARTO, MAHATHIR

BK151419 Jakarta KOMPAS in Indonesian 9 Oct 85 pp 1, 8

[Excerpt] Jakarta, KOMPAS--There is no urgency to hold an ASEAN summit meeting, scheduled for 1987, President Suharto said when he met with Malaysian Prime Minister Datuk Sri Dr Mahathir Mohamed at his Cendana Road residence on Tuesday [8 October--FBIS].

Minister-State Secretary Sudharmono told newsmen that the one-hour meeting between the two heads of state discussed various aspects of bilateral relations. As for an ASEAN summit, the two sides see no urgency for such a meeting. However, the two sides still attach great importance to such a summit meeting, held every ten years. But the summit organizers must also consider other urgent priorities faced by each ASEAN member. "For instance, Indonesia will hold its general election in 1987," Sudharmono added. The most recent ASEAN summit was in Kuala Lumpur 4-5 August 1977. While the first summit was in Bali 23-24 February 1967.

The ASEAN summit meeting was also one of the topics discussed by President Suharto and Thai Prime Minister Prem Tinsulanon, who visited Indonesia last month. It was Prime Minister Prem who proposed holding an ASEAN summit, but the Indonesian side said that it would have to consider the proposal first.

During private talks, Prime Minister Mahathir briefed the Indonesian president on his planned visit to the PRC in November. In this connection, President Suharto reiterated Indonesia's stand toward the PRC--that Indonesia will not hurry to normalize diplomatic relations, especially since Beijing has thus far refused to renounce its support for communist movements in Southeast Asia.

The Malaysian Prime Minister also briefed the president on the incident involving pirate attacks in the eastern coast of Sabah last month. In this connection, Indonesia expressed confidence that both Malaysia and the Philippines have been able to exercise great restraint in an effort to maintain the integrity and stability of Southeast Asia.

CSO: 4213/8

INDONESIA

HOME AFFAIRS MINISTER VIEWS PNG BORDER TALKS

BK110452 Jakarta MERDEKA in Indonesian 7 Oct 85 pp 1, 11

[Text] Jakarta, Sunday [6 October--FBIS]--Indonesia and Papua New Guinea [PNG] are determined to create mutual trust and avoid mutual distrust following bilateral border talks in Port Moresby from 23 to 26 September.

On arrival at Sukarno-Hatta Airport on Saturday afternoon after a trip to several countries, Home Affairs Minister Suparjo Rustam said that such an atmosphere is necessary to avoid problems hampering cooperation between the two countries.

When asked by newsmen on whether such mutual trust has been created, the Home Affairs Minister said "we are trying to create it."

The two countries also signed a joint agreement on border demarcation which provides for among other things the demarcation and definition of the border on eight points. Indonesia and Papua New Guinea will tackle four points respectively. The results of the border demarcation will be counterchecked later.

Suparjo Rustam who led the Indonesian delegation to the talks did not give a clear answer to a question on whether the talks proceeded smoothly. He only said that the atmosphere of the talks was good and that they covered the border issue only.

He added that this was the first time that Indonesia and PNG have discussed the border issue at ministerial level. The PNG delegation to the talks was led by Foreign Minister John Giheno.

Suparjo said that during the talks, Indonesia always tried to reach mutual understanding. For example, Indonesia hoped that Papua New Guinea will not easily believe reports made by OPM [Free Papua Movement] members who always issue false stories and then flee to PNG if they are pursued by security forces.

On Indonesians crossing into PNG, the Home Affairs Minister said: "We did not ask our nationals to go there. They can choose to return or not to return home."

He raised this issue during the talks and offered transportation facilities for those wishing to return at any time upon prior notice.

He told the PNG delegation that PNG nationals can visit their relatives in Indonesia. "They can visit their relatives freely," the minister said.

Suparjo Rustam confirmed that a number of PNG journalists will visit Indonesia. Their visit will be arranged in accordance with existing procedures.

"Current Indonesia-PNG relations are very good," the Home Affairs Minister concluded.

CSO: 4213/8

INDONESIA

BERITA BUANA ON PNG BORDER COMMITTEE TALKS

BK170736 Jakarta BERITA BUANA in Indonesian 8 Oct 85 pp 1, 8

[Text] Home Affairs Minister Suparjo reported to President Suharto at his residence on Cendana Street, Jakarta, on 7 October on the results of the fourth meeting of the Indonesian-Papua New Guinea Joint Border Committee [JBC] in Rabaul from 23 to 26 September 1985.

The Minister later told newsmen that he had also reported to the president on socio-political affairs in addition to the results of the JBC meeting in Rabaul.

Home Affairs Minister Suparjo, in his capacity as chairman of the Indonesian National Border Committee, led the Indonesian delegation to the meeting, while the PNG delegation was headed by Paulias Matane, secretary general of the Ministry of Foreign Affairs and Trade. The meeting, which was also attended by PNG Foreign Minister John Giheno, proceeded smoothly and attached importance to relations between the two neighboring countries. The talks proceeded in a spirit of mutual respect for sovereignty and independence and noninterference in each other's internal affairs.

The meeting agreed on eight topics--border development, UNDP-sponsored development program, compensation, border crossing, security arrangement, border survey and demarcation, search and rescue operations, and communications.

The Home Affairs Minister said that the Indonesian delegation explained that development being carried out by the Indonesian Government is the development of the true Indonesian people under the archipelagic concept. The two delegations supplied each other with information on development in the border areas. They also settled the border crossers issue.

The meeting was considered to be very useful as a forum for unifying several divergent views. This is important for undertaking cooperation on various administrative arrangements and activities along the common border.

CSO: 4213/8

INDONESIA

OFFICIAL URGES CONTINUED VIGILANCE AGAINST PKI

BK161525 Jakarta SINAR HARAPAN in Indonesian 9 Oct 85 pp 1, 12

[Excerpt] Jakarta, 9 October--Hari Sugiman, director general for sociopolitical affairs of the Home Affairs Department, says that 1.7 million followers of the Indonesian Communist Party [PKI] have thus far been identified and registered. He said this at the opening of a coordinated meeting attended by heads of sociopolitical directorates of the department's provincial offices in Jakarta on Tuesday [8 October--FBIS].

In his directive speech to the coordinated meeting for officers in charge of supervision of former PKI members, Hari Sugiman urged all of us to remain vigilant against communism in Indonesia, especially in view of a statement issued by the late D.N. Aidit [PKI chairman--FBIS] in early 1965 that the PKI had 20 million followers.

"As only 1.7 million PKI followers have been identified and registered we must be cautious over the fact that the possibility of a communist revival still exists", Hari Sugiman stressed, adding that from the communist point of view, a revolutionary struggle does not have a journey's end--their struggle is comparable to the ocean surf, sometimes at high tide, while at other times low tide.

The former official of the Security and Order Restoration Command also disclosed that former PKI detainees have since 1979 been integrated into society. In the event of a general election, these people in principle are entitled to exercise their voting rights, but according to the director general, for the sake of smooth implementation of development and national vigilance, a special voting procedure for them is still necessary. As an example, during the last general election, the majority of them who belonged to the A, B, and C categories were allowed to exercise their voting rights after being screened and evaluated in accordance with existing laws.

CSO: 4213/8

INDONESIA

OFFICIAL URGES VIGILANCE AGAINST REVIVAL OF PKI

BK170936 Jakarta BERITA BUANA in Indonesian 11 Oct 85 pp 1, 7

[Text] The vice chairman of the Board for the Development, Comprehension, and Implementation of Pancasila [BP 7], Utoyo Usman, is convinced that communist cadres supported by their comrades abroad will always try to revive the Indonesian Communist Party [PKI] through subversion, infiltration, and other means in accordance with communist teachings even though communist organizations in Indonesia have been destroyed. The BP 7 vice chairman was speaking at the opening of an upgrading course on national vigilance for vice chairmen of the board's provincial branches, echelon I and II officials of the Home Affairs Department, and echelon III officials of the BP 7 held at the Central BP 7 building at 2 Pejambon Street, Jakarta, from 7 to 14 October.

He also said that we should be aware of dangers arising from rightist extremism and liberal and capitalist teachings and other dangers entering Indonesia through various means. These dangers are threatening our religious and national life.

Consequently, true Indonesian society should be developed to counter Marxism-Leninism, other forms of extremism, and other threats.

The idea of developing true Indonesian society is central to national development.

In this regard, the Indonesian people must not be afraid of the latent communist danger and other threats. Instead, they must immediately counter any possible threat.

National vigilance can be best created through formal and informal education and Pancasila upgrading courses.

We are not overreacting by emphasizing national vigilance, because the number of Indonesians not exposed to past communist brutality and activities in Indonesia is increasing. The communists will not stop their propaganda activities, and other external ideas incompatible with Pancasila will continue to enter the country as we advance technologically. In addition, both the West and the East have very delicate subversion networks.

The upgrading course on national vigilance was attended by 40 participants.

4 November 1985

INDONESIA

MOKHTAR RETURNS FROM UN, DISCUSSES ACTIVITIES

BK101249 Jakarta Domestic Service in Indonesian 1200 GMT 10 Oct 85

[Text] Foreign Minister Mokhtar Kusumaatmaja has said that members of the Nonaligned Movement have urged the UN Security Council to find a comprehensive solution to the Middle East issue through an international conference. He was speaking on the arrival at Jakarta's Sukarno-Hatta Airport this afternoon from New York, where he addressed the 40th UN General Assembly and met his ASEAN counterparts. At the meeting with the ASEAN foreign ministers, Minister Mokhtar Kusumaatmaja disclosed for the first time 12 points for a solution to the Cambodian issue. According to Minister Mokhtar, each ASEAN member will adhere to the 12 topics in seeking a solution to the Cambodian issue.

The Minister told newsmen at Jakarta's Sukarno-Hatta Airport this afternoon that he had twice met with UN Secretary General Javier Perez de Cuellar to discuss the East Timor and Cambodian issues at the latter's request. The Minister briefed the UN Secretary General on developments in East Timor and Cambodia.

Minister Mokhtar will again leave for New York on 17 October as President Suharto's envoy to attend the 40th commemoration of the establishment of the United Nations.

CSO: 4213/8

4 November 1985

INDONESIA

SUBVERSION CHARGES FILED AGAINST JOURNAL EDITOR

BK161513 Jakarta KOMPAS in Indonesian 8 Oct 85 pp 1, 8

[Excerpts] A 23-year-old student, Irfan Suryahadi, was brought to Sleman District Court on Monday (7 October) on charges of carrying out subversive activities. Irfan, who hails from East Lombok (West Nusa Tenggara), was alleged to have committed the crime while the editor of the journal, AL IKHWAN, of Jalan Rajawali, Yogyakarta.

The chief judge, Suciadi SH [Sarjana Hukum--Bachelor of Law], said, "You are charged with a crime punishable by death. For that reason please look for a defense counsel."

However, the accused remained firm, trying to lodge a protest over the denial of his human rights.

"I am not able to look for a defense counsel because I have been locked in the cell all the time," Irfan explained.

According to the Criminal Code, any accused subject to a death penalty should have a defense counsel. Continuing, Suciadi said, "If the accused is not able to find a defense counsel, the district court will provide him with one".

A total of 31 witnesses will be brought to court for the hearing of this case, five of them Yogyakarta Gajah Mada University intellectuals. The university intellectuals were writers for and or on the editorial staff of the journal, AL IKHWAN, which was shut down and banned from circulation by the attorney general's May 1985 decision.

AL IKHWAN was considered full of writings that could disrupt stability. The attorney general had called on those possessing copies of the bulletin to hand them over the security personnel. Likewise, a call was made to the proprietor and publisher of the bulletin. Those found guilty of violating the attorney general's decision were threatened with punishment according to Article 1 Constitution Number 4/PNPS/1963.

AL IKHWAN was issued periodically in tabloid form, it had an attractive appearance. Several influential figures and Yogyakarta Gajah Mada University intellectuals were known to be members of the editorial staff of the bulletin. Therefore, it was not surprising that they were asked by the judicial panel to be witnesses in later hearings.

4 November 1985

LAOS

MALAYSIAN MINISTER ARRIVES FOR 3-DAY VISIT

BK110136 Vientiane Domestic Service in Lao 1400 GMT 10 Oct 85

[Text] Abdul Kadir Sheikh Fadzir, deputy foreign minister of Malaysia, arrived in Vientiane at noon on 10 October to pay a 3-day official friendship visit to Laos at the invitation of the LPDR Foreign Affairs Ministry.

On hand at Wattai airport to welcome the Malaysian deputy foreign minister were Soulivong Phasitthidet, deputy foreign affairs minister, and a number of high-level cadres. (Yahya bin Baba), charge d'affaires of Malaysia, and Somphong Faichampa, ambassador of the Kingdom of Thailand to Laos, were also at the airport to welcome the Malaysian delegation.

Upon his arrival at the airport, the Malaysian deputy foreign minister gave an interview to our reporter in English as follows: [begin recording] It is my first visit to Laos. I am sent by my government here. Malaysia considers this visit something very significant, very important. We are two countries with diplomatic relations, friendly to each other. I think we are a bit late in [end recording fading into Lao translation] improving our relations. I think that during a few days of my visit here, I will have an opportunity to meet with many authorities in order to strengthen the relations between our two countries. Even though our countries are neighbors, but in the past our cooperation in the economic, cultural, and sports, and other fields was minimal. Therefore, it is necessary that we must improve this cooperation. Even though we have different political systems, there is nothing that can prevent us from cooperating with each other. This is because a political system is the internal affairs of each country. I know that your government has received support from the people. Therefore, we should have the best relations with you.

On the afternoon of the same day, Khamphai Boupha, first deputy foreign affairs minister and acting foreign affairs minister, received the Malaysian deputy foreign minister at the reception hall of the ministry. Before paying a courtesy call on Khamphai Boupha, Soulivong Phasitthidet and Kadir Sheikh Fadzir, respectively Lao and Malaysian deputy foreign ministers, held a meeting to exchange views on the relations between the two countries and other international issues of mutual interest. The meeting was conducted in a good, frank and understanding atmosphere.

LAO:

ATHIT KAMLANG-EK'S ROLE IN THAI COUP BID NOTED

BK110948 Vientiane Domestic Service in Lao 0500 GMT 11 Oct 85

["Conversation" between two unidentified persons on 9 September abortive coup in Thailand -- recorded; date not given]

[Excerpt] [First person] I am still interested in another angle of the coup. It seems to me as if it were a child's game, and in only a few hours it failed. What is it all about, comrade?

[Second person] Several Thai newspapers and magazines have commented on the 9 September coup. An article in the MATICHON weekly on 15 September said: It should not be overlooked that in the 1 April 1981 coup, the plotters had 42 battalions under their control. That was why they dared stage a coup, although it failed. However, the 9 September coup plotters barely had even one battalion under their command. But where did Colonel Manun Rupkhachon get the courage to carry out the coup bid? The ATHI WIWAT weekly, 17-23 September issue, noted that Col Manun Rupkhachon had just returned from the United States on 3 September. This was only 4 or 5 days before the coup. How could he manage to stage it?

[First person] I wonder how a retired army officer like Col Manun Rupkhachon managed to make preparations only a few days to stage a coup. It is impossible. I think there must have been something behind this.

[Second person] Well, it is not surprising at all, comrade, and we are not the only people who are puzzled, even the Thai people living in remote mountainous areas must have wondered like us. It is obvious that there must be something behind all this. In the past few days, leaflets have circulated in Bangkok. The current situation in Bangkok in particular, and in Thailand in general, is confusing. The leaflets have primarily discussed the motives behind the 9 September coup.

[First person] Well, who was really behind the coup, comrade?

[Second person] If we talk about the motives behind the coup, according to the views of public opinion in Thailand and voiced by various mass media circles, preparations to stage the coup were made 3 or 4 months ago.

According to rumors in Thailand, it was General Athit Kamlang-ek who was the mastermind of the coup plan. Why is it so? This can be seen from the fact that when the coup was first staged, the Thai radio announced that all armed forces units were to retain their same status and that no transfers of commanding officers were to be made. This is very clear.

[First person] That is true. It means there would be no change since all armed forces units were to be under the command of the same officers. But how come the coup failed?

[Second person] According to the Thai weekly ATHIT WIWAT, Issue No 88, it can be said that the failure of the 9 September coup in Thailand stemmed from disproportionate dividing of interests. The primary cause was Gen Athit Kamlang-ek. He was not satisfied with his share of the spoils. He wanted to be prime minister, but his colleagues disagreed with him. He then left the country on an overseas trip. Therefore, when the coup took place an act of betrayal was carried out at the last minute.

[First person] It is very clear, comrade. What country did Athit Kamlang-ek visit?

[Second person] After the disagreement over the posts, he left to visit Sweden as a representative of the armed forces.

[First person] What did he get from visiting Sweden?

[Second person] He got many things, one of which was some of the pleasure of life.

[First person] What do you mean by that, comrade? I don't understand you.

[Second person] It means that during his visit to Sweden, while staying at a hotel in Rome [as heard], he had a chance to 'round up some white elephants'. With regard to this, some 500,000 copies of a Swedish newspaper reported a story about Athit Kamlang-ek 'rounding up white elephants.'

[First person] He must be very famous, comrade.

[Second person] That is true. Not only public opinion in Sweden talked about this. The mass media in other countries also noisily commented. His behavior has greatly tarnished the name of the Thai military. That is all there is to the story. Do you have anything more?

[First person] Now I better understand what we have discussed. I have many other things to ask you, but I think we should end our conversation for today, comrade. Goodbye.

LAOS

ATHIT KAMLANG-EK TERMED 'ILLICIT GOODS TRADER'

ZK141405 Vientiane Domestic Service in Lao 0530 GMT 14 Oct 85

["Talk": "Athit Kamlang-ek--Illicit Goods Trader"]

[Text] Extremely upset about sharing power -- especially that of the post of prime minister, which became a subject of extensive public discussion -- before the abortive coup on 9 September 1985 in Thailand, Athit Kamlang-ek and a group of 22 faithful military officers pretentiously paid a visit to certain Western countries. Instead of alleviating his uneasiness, the visit caused him great embarrassment. Several newspapers in Stockholm, Sweden, carried reports on a misdeed by Athit Kamlang-ek. The 9 September evening issue of the highly influential EXPRESSEN newspaper, with a daily circulation of 500,000, front-paged prominently Athit Kamlang-ek's embarrassing act of ordering some girls of ill repute to serve his men billeted at the Sheraton Hotel at the price of only \$180 per person. His behavior was an insult to the Swedish people, whose living standard is very high and who live in a rich country that has consistently rendered assistance to the world's people. That was not all. More serious still, Athit Kamlang-ek even committed an offense against Swedish law by offering opium and marijuana as payment for the girls' services.

When the incident became public knowledge, Thai Ambassador to Sweden Nikon Phraisaengphet tried to avoid reporters' questions on the issue, for it was so embarrassing. The incident has become a great embarrassment to Thailand, too. The Thai leadership, the Thai people, and those military officers loyal to Athit Kamlang-ek, who have learned the truth of the incident, are extremely embarrassed and fed up with Athit Kamlang-ek's behavior because such a misdeed will only increasingly tarnish the image of the Thai Armed Forces, whose reputation of using excessive dictatorial power to persecute Thailand has already been well publicized. According to consistent reports by the Thai mass media, it seems that the supply of all narcotics such as opium and marijuana is supposed to have been completely wiped out from Thai society because the Thai Government has mounted all-out suppression drives against them to the extent that drug traffickers are sometimes faced with capital punishment when caught and prosecuted. We are wondering where Athit

Kamlang-ek secured his supply of opium and marijuana. It is noteworthy that Thai laws are only applied in the interests of the ruling Thai reactionaries, especially the Thai militarists. If Thai law were genuinely the tool of the Thai people, we think that Athit Kamlang-ek would already be in custody on a charge of trading and possessing illicit goods.

CSO: 4206/4

LAOS

BRIEFS

LAOS RAPS THAI 'ENCROACHMENT'--According to regional reports, at 1400 on 7 October 1985, a Thai Mekong River patrol boat from the Thai side of the river sailed toward the Lao side and remained between 30 and 50 meters from the Lao bank in front of Ban Nong Pa Nai village, Sikhottabong District, Vientiane municipality. This open violation of Lao territorial waters by the Thai Mekong River patrol boat constitutes an encroachment on the sovereignty and territorial integrity of the LPDR and is part of a new provocative scheme against the LPDR to create tension along the Lao-Thai border, as has repeatedly been created by the ultrarightist reactionaries in the Thai ruling circles. [Text] [Vientiane Domestic Service in Lao 0430 GMT 11 Oct 85]

CSO: 4206/4

MALAYSIA

U.S. INTERCEPT OF EGYPTIAN PLANE TERMED 'PIRACY'

BK190946 Kuala Lumpur: BERITA MINGGU in Malay 13 Oct 85 p 10

[Editorial: "The United States' Action Threatens Civil Aviation"]

[Text] The United States' action in sending its warplanes to intercept an Egyptian airliner and force it to land in Italy is thoughtless. This is a most dangerous act of air piracy because it was conducted by a respected superpower. The United States' excuse that the Boeing 737 was carrying four suspected Palestinian hijackers does not justify its action. On the other hand, it signifies the beginning of a new course making civil aviation unsafe. The United States' success in capturing the hijackers is insufficient to overcome the possible repercussions of the action.

Any party should give due consideration before using military strength to force an aircraft or a civilian maritime vessel to land or dock--possibly causing bloodshed--for any reason whatsoever. What will happen if the pilot of the intercepted airliner does not comply with the orders given or if communications break down? We cannot overlook the possibility of an aircraft being shot down because of a mechanical problem, resulting in loss of life. Can a country such as the United States, which considers itself civilized, repeat the Soviet Union's dastardly act of shooting down the South Korean 747 airliner just over 2 years ago?

We still remember how the United States, foremost among the global nations, strongly condemned the Soviet Union's action. But now, the United States itself has been drawn into committing such an act. At least the Soviet Union had a strong reason, saying the South Korean airliner had entered its airspace. It is feared that the United States' action will pave the way for other countries to utilize their military strength for similar objectives.

France has already used its military strength to destroy the "Rainbow Warrior," which was used by the Greenpeace movement to protest nuclear tests in the South Pacific. All along, the Soviet Union has proven its readiness to use force to intercept and ground civilian airliners or destroy them without considering hundreds of innocent lives. The United States' excuse that it acted because there were Palestinian hijackers aboard

the airliner who had murdered one of its citizens on the luxury liner cannot be considered a justification. Its action has further aggravated the threat to civil aviation, which is currently facing various dangers from international terrorists. The action against the chartered Egyptian airliner was simple because there were no other passengers excepting some Egyptians traveling with the hijackers. This was the hijackers' mistake--they did not have more hostages.

Assuredly, in the future hijackers trying to escape will commandeer a fully loaded aircraft to guarantee thier safe getaway. We would like to know what the United States will do in such a situation.

International terrorism, irrespective of its objectives, is heinous, more so if the lives of civilians are sacrificed or gambled. The Palestinians' action in hijacking the Italian liner and murdering an American tourist is disgusting and must be condemned, just as we condemn Israel's sending its Air Force to bomb the PLO headquarters in Tunis, the capital of Tunisia. The American action in intercepting and forcing the Egyptian airliner carrying the hijackers does not differ from recent acts of terrorism except that it was carried out in a planned manner by a country that has all this while viewed such actions with disgust and condemned them.

The most recent U.S. action has directly strengthened the Islamic world's conviction that it is connected with the raid on the PLO headquarters in Tunis. If the "hijacking" carried out by the United States suddenly becomes a normal practice, then the Reagan administration must bear the responsibility for starting it.

CSO: 4213/9

MALAYSIA

BRIEFS

KING RECEIVES ENVOYS' CREDENTIALS--The paramount ruler received the credentials from the Tanzanian high commissioner to Malaysia, Mr Mohamed Ramia Abdiwana, the Cyprus high commissioner to Malaysia, Mr Vakis Antonio J, and the Mexican ambassador to Malaysia, Mr Guillermo Corona at the National Palace on 4 October. During the ceremony, his majesty said Malaysia believes that the time has come for the international community to jointly struggle to put an end to the minority white regime's cruelty in South Africa. In connection to this, his majesty expressed the hope that all the UN member countries, the non-aligned nations and the commonwealth join in the struggle to oppose the cruelty of the minority white regime in that country. [Summary] [Kuala Lumpur BERITA HARIAN in Malay 4 Oct 85 BK]

KING RECEIVES AUSTRIA, CUBA, FIJI ENVOY CREDENTIALS--In Kuala Lumpur, on 6 September, the paramount ruler received the credentials of two new ambassadors to Malaysia. They are Dr Kurt Spallinger of Austria, and Mrs Ana Maria Gonzalez Suarez of Cuba. The high commissioner of Fiji to Malaysia, Dr James Ajodhyad Maraj, also presented his credentials to the paramount ruler. [Summary] [Kuala Lumpur BERITA HARIAN in Malay 7 Sept 85 BK]

PARTY MEMBERS DEFECT--A total of 44 Pan Malaysian Islamic Party [PAS] members in Kampung Keluang, near Besut, Terengganu, resigned en masse on 23 September and joined the United Malays National Organization [UMNO]. The group, led by Kampung Keluang PAS youth leader, Encik Harun Hussein, announced that it resigned in protest of PAS Vice President Haji Hadi's statement on abolition of Malays' special privileges if PAS came to power. The group, comprising 22 men and 22 women, was the first batch from the district to defect to UMNO following various issues raised by PAS which it considered unfounded and irresponsible. [Summary] [Kuala Lumpur UTUSAN MALAYSIA in Malay 24 Sept 85 p 1 BK]

CSO: 4213/9

NEW CALEDONIA

KANAK OPPOSITION TO EUROPEAN FRENCH SETTLERS

Paris LE MONDE in French 18 Sep 85 p 9

[Interview with Jean-Marie Tjibaou, Kanak political leader, by Daniel Schneidermann; date and place not specified]

[Text] [Question] The electoral campaign has now begun. The anti-independence candidates here will receive the support of several homeland public servants, among them Jacques Chirac and Jean-Marie Le Pen. What do you think of this reinforcement?

[Answer] It is pure cinematics. I pity the Caledonians who go along with this game. They are empty-headed. They hold no specific position on Caledonia nor on their future in the Kanak nation. Bringing Parisian leaders here is a sign of their lack of political awareness. Culturally speaking, they have not become assimilated here, they are still foreigners. We shall have to build this country side by side with people who still relate to another place and are still reminded of their relationship to this other place by these movie actors that they bring here. At bottom, they still consider themselves Parisian suburbanites.

Their future, however, is not in France but with the Kanaks and in the country of the Kanaks, in the Pacific. They would do well to remember that when the Harkis landed in France, the great supporters of French Algeria very soon forgot all about them.

[Question] For some time now you seem to have withdrawn from the public eye. You are spacing your visits to Noumea very far apart, and you remain here in Hienghene, the city of which you are the mayor. Has political life let you down?

[Answer] I came back to Hienghene for several reasons. First, to see to the well-being of the children of my two brothers, who perished in an ambush last December. I am presently responsible for six children. Then, we had to get the economy off the ground once again, here in Hienghene. We inaugurated an agricultural cooperative where even the motorized police go to buy provisions now and then.

For the first time, we are going to sell coconuts as far away as Noumea. We have no end of projects lined up. Next month I am expecting a Japanese delega-

tion which plans to study the possibility of starting up a fish farm experiment here, right in the sea. We are setting up a sawmill; we should like to build a forest highway straight through from the east to the west coast. The credibility of independence, as far as our European landlords are concerned, is now in the forefront.

I take care of my garden, too; I prepare my yam fields; I have a pig and a few sheep. For my own benefit, of course, but also to serve as an example to the people. I have found a system for raising chickens on hilly land. I show it to as many people as possible, so that no one can use the sloping terrain as an excuse for not raising chickens.

[Question] Are these reasons sufficient for you to withdraw from a fundamental political battle?

[Answer] There is one other thing, of course. I came back here to get off the stage. I want more militants to take some of the responsibility. When the people continually see the same faces, they end up by not understanding the message. A man appears on the screen; he is the devil incarnate, so you change channels. He is a bit of a rabble-rouser. By dint of expressing itself in the media, the language becomes more sophisticated, and one becomes separated, even from one's own militants. Moreover, our dialog is difficult. We talk about something that does not exist, about some future project. As far as I am concerned, a dialog must be translated into reality. The ideal is to build with the people so that they will come to believe in themselves.

[Question] You are a list-leader for the FLNKS [National Socialist Kanak Liberation Front] in the northern district. Do you still think that the creation of the regions, as provided in the Fabius Plan, will allow you to build up a spirit of independence at the grass-roots level?

[Answer] For the immediate future, our chief battle will be fought in people's minds. It will not, of course, be a question of attaining self-sufficiency in feeding ourselves in a matter of a few months. But the people will have to absorb this concept of self-sufficiency. The agency economy has accustomed them to being aided and to receiving goods and services. Receiving everything, in fact, including reprimands. They had lost the art of screw-tapping. They no longer knew how to build log canoes which could travel as far as the islands. The independence mentality has to become a conquer-the-market mentality.

[Question] Mr Toubon has just announced that if the opposition were to win in 1986, it would immediately organize a referendum on self-determination, and should the response be negative, it would see to it that a new statute of internal autonomy resembling the Ukeiwe Plan is voted in.

[Answer] You know, it is always easy to make statements when one is not in power, as Francois Mitterrand did for the mini-bomb; he was opposed to it, yet today he has become another de Gaulle, and he goes to visit the site of the crime. Nevertheless, there is a mortal danger, and although the sea and the ocean currents can be bearers of life, they can also be bearers of the seeds of death.

As soon as the regions are organized, they will vote in their budget, and with this budget, we shall be able to work for 10 months. And many things can be accomplished in 10 months. In any case, this upheaval of opinion I was describing to you, which we shall undertake, is not at the mercy of a change in the majority.

[Question] If the FLNKS holds any responsible positions in the future regional councils, aren't you afraid to find yourselves cut off from a part of your base which might be capable of claiming that the changes are not swift enough?

[Answer] In fact, when one manages an enterprise, one finds practical answers to questions within a given institutional framework, which will be that of the French Republic. That is why we just decided last weekend to create in the northern region a vigilance committee which will be an outgrowth of the tribal combat committees. This committee will help the regional council not to lose sight of our claims.

[Question] What will be its powers?

[Answer] The power of the street. The power to say "No." And the power to convoke a FLNKS congress, to make decisions in the case of a serious conflict with the regional council.

[Question] Mr Le Pen has announced that he will come to Thio. Do you plan to give any instructions to your militants on this occasion?

[Answer] The combat committee will have to play it by ear. But when people who insult our militants come to provoke them, it is hard to request the people to refrain from taking any action.

8117

CSO: 4219/3-

PHILIPPINES

CORAZON AQUINO AGREES TO RUN FOR PRESIDENCY

HK150803 Dagupan City DZDL Radio in Tagalog 0445 GMT 15 Oct 85

[Text] Mrs Corazon Aquino has agreed to be the opposition presidential candidate in the election to be held in 1987. The candidature of the widow of the late Senator Benigno Aquino will be formally announced this afternoon at the Plaridel Hall of the National Press Club by Chino Roces, chairman of the Cory Aquino for president movement. Mrs Aquino's decision to run will be submitted to the opposition's National Unification Committee [NUC] which formulates regulations regarding a common candidate for the opposition.

An unnamed source has confirmed that Aquino's widow has acceded to petitions by thousands of people who have been urging her to run for president. He quoted Cory as saying she is agreeing to run because it is the people's wish that she do so. She added that she has no personal interest in the presidency and still prefers to try to be a unifying factor for the opposition. If the NUC chooses Mrs Aquino to be the opposition's common candidate, her supporters are certain that her brother, ex-Congressman Jose Cojuangco, head of PDP-Laban [Filipino Democratic Party--opposition group] [words indistinct]. At present only Salvador Laurel's nomination as a presidential candidate for the United Nationalist Democratic Organization [UNIDO] has been submitted to the NUC. Political analysts say Cory would be Laurel's most serious threat in the opposition's presidential candidacy.

CSO: 4211/6

4 November 1985

PHILIPPINES

LABOR MINISTER DISCUSSES RELATIONS WITH MALAYSIA

HK140856 Manila PHILIPPINES DAILY EXPRESS in English 13 Oct 85 p 6

[Article by Ruby Villavicencio]

[Text] Labor Minister Blas F. Ople said yesterday the government should now work on the early settlement of the Sabah territorial dispute with Malaysia saying the Philippine claim is best dropped formally.

Intensive diplomatic talks with Malaysia should be held soon and in the most quiet manner to avoid any further strain on RP-Malaysia ties, said Ople, who is also member of the Batasan Foreign Affairs Committee.

Ople said the Sabah issue has gotten in the way of important matters in its bilateral relations with Malaysia.

Both countries have not yet drafted a border agreement: with the controversy still unresolved. A border agreement between the two ASEAN members would provide for border patrols and would therefore help prevent piracy in waters between the two states.

Only recently, an attack of the Maddanas island off Tawi-Tawi was allegedly staged by Malaysian soldiers who were in pursuit of pirates, supposedly Filipinos, who robbed a bank and killed 11 persons in Lahad Datu, a southern town of Sanah. The Philippine Government is still investigating the case; but tensions have run high.

"Settlement of the Sabah issue should now be a priority of the government," Ople said.

President Marcos, in the 1977 ASEAN summit in Kuala Lumpur, said that the government would take steps to drop the Sabah claim.

Acting Foreign Minister Pacifico A. Castro said that since that time, talks had taken place between the two countries. Ministry sources say "diplomatic headway" had been gained through those years but not to the extent of a resolution.

"While the government fully realizes the significance and consequences of the unresolved dispute, recent economic, political and security concerns needing immediate and constant attention have occupied national agenda. But it is high time for more serious and orchestrated moves to put the Sabah issue to rest," Ople said.

In settling this, many considerations are to be made, he said. Among them is verification of the absence of Malaysian support for the armed struggle of the Moro National Liberation Front, he said. Previous intelligence reports said that areas in Malaysia have been the training centers of the MNLF rebels.

Ople said there is a lot of room for improvement of Philippine-Malaysia relations, particularly in labor. "The Philippines can augment labor force in Malaysian plantations, construction and other instructions."

Movement of Filipinos to and from Sabah has been continuous. Ople estimates the number of resident Filipinos in Sabah to be in the range of 200,000 to 300,000, most of them "undocumented aliens."

Ople also said he believes the Malaysian Government would not deport Filipinos in Sabah in case of a widening rift. "Filipinos there have become valuable to the Sabahan economy," he said.

CSO: 4200/72

PHILIPPINES

DAILY ON SABAH ISSUES, ELECTION FRAUD

HK150949 Manila METRO MANILA TIMES in English 13 Oct 85 p 4

["The Jaywalker" column by Arturo A. Borjal: "Filipinos in Sabah Are Restive"]

[Text] In the light of the reported Malaysian raid on a Tawi-Tawi isle, former Concon Delegate Tito Guingona is requesting the Philippine government to "clear the air" and "build better bridges" between the Philippines and Malaysia. Guingona suggests various steps that can enhance the relations between the two ASEAN countries.

There are 300,000 Filipino refugees in Sabah, says Guingona. Many of the refugees are restive because of their uncertain status and would like to resettle in the Philippines. Guingona wants to know what the Philippine government intends to do to help the Filipino citizens in Sabah. "The refugees have remained Filipinos and they are entitled to protection," the BANDILA [Social Democratic Opposition Alliance] chairman says.

Guingona also suggests an official clarification of what really happened in Maldanas and Lahad Datu. Who were the persons in army uniform who raided Lahad Datu? And who attacked Maldanas? Until the matter is fully settled, there will be uncertainty in the relations between the Philippines and Malaysia, Guingona says.

The former Concon delegate also wants to know the status of the Philippine claim to Sabah. Information about the ongoing barter trade between the two ASEAN nations will be helpful, Guingona says, since it will enable the two countries to assess whether the barter business abets smuggling or piracy. Once the two issues are settled, the tension between Filipinos and Malaysians can dissipate, Guingona says.

The Batasan Opposition has a point in protesting the proposed "continuing registration" scheme on the Election Code. The scheme makes it much easier for "flying voters" to practice their trade. If the coming election is to express the people's will, all possible loopholes that facilitate fraud should be scrapped. The "continuing registration" scheme is one big loophole.

The Opposition, too, is right in opposing the proposed provision allowing barangay captains to serve as election inspectors. Under the Barangay Law,

the intent of the lawmakers is clear. The barangay officials are supposed to be nonpartisan. That's precisely the reason why, in barangay elections, no candidate is allowed to run under a political party.

The country's barangays will be prostituted if barangay officials are encouraged to become partisan. There are disconcerting signs that many of them have already sold their independence to the highest bidders. If the spirit of the barangay law is not respected, the barangay as an institution will, sooner or later, collapse.

The Commission on Elections has several noteworthy election measures proposed for incorporation in the Election Code. Comelec head Victorino A. Savellano suggests that all cases of disqualification be decided before election day. This will avoid past cases where poll winners by resounding margins were disqualified after the people had already expressed their will.

Savellano also proposes a fixed deadline for the canvassing board to complete their work. This will do away with anomalous situations such as the Manila canvass in the last May 14 Batasan elections. Two weeks after the polls closed, the Manila canvass board has not yet proclaimed the winners. At that stage, the margin of the Opposition bets, together with Arturo Tolentino, was overwhelming.

The Comelec chairman's suggestion that transparent ballot boxes be used in the coming elections may be costly, but it will be worth it. In previous elections, there were ballot boxes already stuffed with ballots even before voting began. The Savellano proposal will totally eradicate the anomalous practice.

Other Comelec suggestions include the representation of the two major political parties in all election committees and boards, the increase in teachers' honoraria, and the participation of civic groups and the citizenry in all stages of the electoral process. All this sounds good on paper. What's interesting to find out is whether there's sincerity behind the proposed election measures.

Pulsebeat

A son-in-law of a Cabinet minister, a son of a high-ranking customs official, and a son of a member of parliament were recently implicated in gun-smuggling activities. Will appropriate criminal cases be filed against them? ...The administrator of the Philippine Coconut Authority (PCA), Felix V. Duenas Jr., is now holding the rank of Deputy Minister by virtue of the reorganization of the PCA.

CSO: 4200/90

PHILIPPINES

DEFENSE MINISTER ON CHANGING NPA LEADERSHIP

HK141120 Manila BULLETIN TODAY in English 12 Oct 85 p 8

[Text] Should the Communist Party of the Philippines [CPP] and its military arm, the New People's Army, succeed in their efforts, "you will see in this country a bloody extermination, much more bloody than what Kampuchea experienced," Defense Minister Juan Ponce Enrile said Thursday before the Walkers Club of Quezon City in a meeting at the Sulu Hotel.

Enrile said that "Today, there are two problems that the CPP/NPA suffers from."

One, he said, is that the degree of political indoctrination of the current CPP/NPA leadership is much less than what it used to be.

According to the defense minister, the maturity of the CPP's leadership has suffered considerably. In fact, he said, today, one can say that the present leadership of the CPP is a military leadership, not a political leadership, composed mainly of trained guerrilla warriors coming from the NPA.

This, Enrile pointed out, is the present composition of the Central Committee of the CPP.

In fact, he said, some people have expressed fear, "and rightly so, that should this group, in the remotest possibility, succeed in their efforts in the Philippines, you will see in this country a bloody extermination, much more bloody perhaps than what Kampuchea experienced, because of the military character of the emerging leadership in this organization."

The other problem that the CPP/NPA encounter, according to Enrile, is a military one. He said this is brought about by the expansion of the military organizations, the NPA.

The defense minister went on to point out that as they increase in number, they require more food, more support, plenty of medicines, clothing, and others.

Since they could no longer depend on voluntary contributions as before when they were still few, from the population, they now impose taxes on the people in the countryside, on the logging companies, mining companies, agricultural planters/operations, farmers, fishermen, fishpond operators, including small businessmen, and even workers in the countryside, Enrile said.

CSO: 4200/72

4 November 1985

PHILIPPINES

NPA 'HIT LIST' OF DAVAO JOURNALISTS REPORTED

HK111447 Manila METRO MANILA TIMES in English 9 Oct 85 pp 1, 5

[Article by Arnold Atadero]

[Text] Military authorities yesterday confirmed that nine media men in Davao City are in the "hit list" of the New People's Army (NPA) Sparrow Unit (liquidation squad).

The confirmation followed a directive from Lt Gen Fidel V. Ramos, acting AFP [Armed Forces of the Philippines] chief of staff, to provide ample protection to the nine media people.

Col Laudemer Kahulugan, Davao Metropolitan District Command (Metrodiscom), in his report to General Ramos, identified those in the hit list as Roger Flaviano, PIONEER; Tony Ajero, DXMC radio station; Remy Tan, DXMC radio station; Mario Canta, DZRD; Freddier Vergara, DXDC radio station; Tony Vergara of DXMF; Al Minogan of DXRD; Michael Robles of DRA radio station; and Roming Lambayan of DXRB.

Kahulugan told Ramos that the names of the journalists surfaced in subversive documents seized by Metrodiscom members during an encounter with an NPA band in Tugbok, Davao City last July 14.

Following Kahulugan's disclosure, Ramos immediately ordered Brig Gen Jaime Echevarria, AFP Regional Unified Command (RUC) 11 command chief, and Brig Gen Dionisio Tan-Gateu, Jr, PC-INP [Philippine Constabulary-Integrated National Police] Region 11 commander, to provide adequate protection to the journalists and their families.

Flaviano, who had earlier exposed the threats on their lives, had sought shelter in Manila.

Kahulugan cited the strafing of the house of Freddie Vergara in Sta Ana, Davao City at 6 a.m. last September 2.

Vergara, also a city councilor, escaped unhurt during the strafing.

His report also cited the gunslaying by three gunmen of Randolph Sonico, editor of SOUTHERN PHILIPPINE CHRONICLE, in Cabaguio Avenue, also in that city, at 6:40 a.m. last September 23.

In his report to Ramos, Kahulugan said as the national press, particularly the so-called "alternative press," was "very" critical and suspected military men of being the perpetrators of the series of killings of journalists throughout the country, the local communist movement and the NPA's national leadership may have directed their lower organs to liquidate these medianen in the provinces to foment more hatred against the military.

CSO: 5600/4312

PHILIPPINES

ENRILE SETS DEADLINE FOR ESCALANTE SHOOTING PROBE

HK111427 Manila BUSINESS DAY in English 10 Oct 85 p 18

[Text] Defense Minister Juan Ponce Enrile yesterday ordered military authorities to finish investigation of the Escalante massacre within 10 days, following criticisms that the probes are dragging their feet.

Enrile issued the order to acting Armed Forces Chief of Staff Lt Gen Fidel V. Ramos during a conference at the Defense Ministry after he received a report on the incident.

In the report, Ramos said he had relieved 12 constabulary, police and CHDF [Civilian Home Defense Force] personnel suspected to be involved in the shooting. He added that the suspects have also been disarmed.

Twenty-one demonstrators were killed and 28 others injured when soldiers, police and Civilian Home Defense (CHDF) personnel opened fire at rallyists in Escalanet, Negros Occ., last September 20.

"All the soldiers involved have been confined to camp. The policemen are also held in the PC/INP [Philippine Constabulary/Integrated National Police] headquarters in Bacolod City, while the appointments of the CHDFs have been suspended," Ramos said.

Capt Modesto Sanson, commanding officer of the 334th PC Company, which figured in the incident was also relieved and is now confined to camp at the Regional Unified Command (RUC) 6 headquarters in Iloilo City.

The military authorities, however, have not made public the names of the suspects.

Enrile told Ramos that if probable cause exists against the suspects, charges should be filed in court, adding that if court martial proceedings are warranted, they should be held on-the-spot in Escalante to satisfy public clamor for justice. "The earlier we get to the truth of this matter, the better," the defense chief said.

Earlies, civic, business and professional leaders appealed to the Defense Ministry for justice for all the Escalante victims. They expressed "a deep sense of outrage" over the incident, stating that what took place violated the fundamental sanctity of human life that Christian tradition has sought to uphold.

The appeal was signed by Vicente Jayme of the Bishops-Businessmen's Conference, Jose Cuisia Jr of the Management Association of the Philippines, Jose Concepcion Jr of the Council of the Laity of the Philippines, Vicente Paterno of the Makati Business Club, Felix Maramba of the Philippine Chamber of Commerce and Industry, and Eduardo Hernandez of the Philippine Bar Association.

Enrile urged them to form their own panel to take part in the investigation, while he called upon the Integrated Bar of the Philippines to lend legal help to the victims and their families. "This is a task for the entire nation and not just for the government," Enrile described the efforts to seek justice in the case.

CSO: 4200/72

PHILIPPINES

OPPOSITION GROUP SPONSORS RALLY OVER KILLINGS

HK111433 Manila BUSINESS DAY in English 10 Oct 85 p 18

[Text] Bacolod City--A multi-sectorial group representing several church, youth and labor organizations denounced military officials, political leaders and members of media at a rally held in the public plaza here yesterday to protest the death of 21 civilians in Escalante last month.

The rally, sponsored by the Bagong Alyansang Makabayan [New Nationalist Alliance--Bayan], culminated a two-day fast held by members of the Negros Ecumenical Movement for Justice and Peace for the Escalante victims which started Monday.

Among the other organizations which participated were the Student Christian Movement, League of Filipino Students, Student Christian Action of the Philippines, the Diocesan Youth Organization and the Urban Poor of Cameroli Avenue.

At the same time, the group also denounced seven local mediamen whom they charged with "willful distortion and coverup of the Escalante incident," calling them the "plagues of media."

They also picketed the local radio station DYQL with which two of the broadcast mediamen are connected as commentators. The plan to burn in effigy of the seven mediamen was not pushed through, however, as the demonstrators were reportedly giving them a chance to reform.

Among the demands presented by the rallyists are:

Drop the charges against the Escalante Bayan officers and members.

Disarm, arrest and punish the Civilian Home Defense Force members involved in the massacre;

Relieve the officers of the 334th PC [Philippine Constabulary] company, the 3rd Scout Rangers and the Escalante police force;

Arrest and punish all military officers and personnel who participated in the execution and cover up of the massacre;

Oust and punish Mayor Braulio Lumayno;

Investigate former Congressman Armando Gustillo's possible complicity in the massacre.

CSO: 4200/72

PHILIPPINES

POLITICAL TENSIONS 'RISING' IN ESCALANTE

HK130300 Hong Kong AFP in English 0222 GMT 13 Oct 85

[Article by Roberto Coloma]

[Text] Escalante, Philippines, 13 Oct (AFP)--Political tensions are rising here once more as authorities and radicals brace for their first street show-down since security forces killed at least 21 protesters on September 20.

A propaganda war over the so-called Escalante "massacre," believed to be the bloodiest single protest on record in this violence-rocked country, has been rife to a rally set for Tuesday.

National officials of Bayan, the radical alliance behind the ill-fated last rally, are scheduled to join the protest at the site of the carnage, the main street fronting the town hall where 15 people died on the spot and 30 others were injured, some fatally.

Sixteen men and five women, aged 14 to 30 have been confirmed killed, in part of the "people's strikes" called by Bayan to mark the 13th anniversary of the September 21, 1972 imposition of martial law which was lifted in January 1981.

Bayan officials here claimed that the actual death toll could reach 27, citing reports that terrified peasant families buried their dead in the surrounding hinterlands.

The government and Bayan blamed each other for the bloodshed. The communist underground which the government claims to have infiltrated Bayan has also stepped into the fray.

Concrete walls in this once sleepy sugar-producing town of 60,000 people are awash with slogans in red paint that hail the banned Communist Party of the Philippines (CPP) and its guerrilla force New People's Army (NPA).

The CPP-NPA has grown dramatically in Negros Island since the Philippines sugar industry crisis unfolded in 1984, putting an estimated 250,000 plantation and mill workers out of work.

The wall slogans, painted by CPP-NPA propaganda teams supports Bayan's contention that a prominent sugar baron and top military officials of the island were responsible for the slaying.

But the other camp had lodged its own campaign of slogans and accusations, haranging Bayan and clergymen who allegedly incited people into protecting violently and thus bringing the attack upon themselves.

Authorities have claimed in press releases that the protesters tried to grab the weapons of troopers and militiamen, forcing them to open fire.

The officials, who have refused to be interviewed, have also circulated here a petition demanding the ouster of five Dutch Carmelite priests led by Escalante parish priest Father Nico Hofstede, for allegedly "agitating and inciting (rallyists) to do acts against the duly-constituted authorities of the government and to lose respect of the law."

The petition, which has divided Escalante residents who were being asked to sign it, says the foreign clergymen must be replaced by Filipinos of another religious order "to go (sic) away with violent rallies and avoid any tragic incident to happen now and in the future."

Fr Hofstede said the government was "groping" for people to blame and said he wished the denunciations would stop so that life in Escalante can go back to normal.

His church and school compound became the sanctuary of some 1,000 rallyists after the shooting, the priest said.

It has also become the center of an information campaign that squarely places the blame on the government.

Local Bayan leader Evelyn Hinolan, a well-to-do businesswoman said he believed the attack on the protesters was done in Escalante "as an experiment."

"We have no coverage of media. We had no legal panel. We were isolated... that's why they did it to us," she said.

Escalante had no telephone system and news of the killing was delayed by hours.

Mrs Hinolan's physician-husband Pedro who treated 12 of the wounded, said the victims were "lying at a prone position judging by the site of the wounds and the statements taken from the patients."

Meanwhile, the report of a military fact-finding team from Manila has yet to be released. Provincial military officials claimed 12 constabulary men and militia members together with a commanding captain, had been confined in camp but this could not be directly verified.

Political observers noted that the Escalante attack came as the radical opposition was stepping up the "people's strike"--which includes road blocks and other means of paralyzing traffic and business--as a major political weapon in urban areas." [Quotation marks as received]

CSO: 4200/72

4 November 1985

PHILIPPINES

MEDIA DENOUNCES JENKINS BILL, REACTIONS REPORTED

Editorial Warns 'Thousands' Affected

HK111349 Manila BULLETIN TODAY in English 10 Oct 85 p 6

/Editorial: "A Threat to Jobs"

/Text/ If the Jenkins bill that would cut U.S. importation of Philippine textiles and garments by 21 percent passed the U.S. Congress in its present form, thousands of Filipino workers in the textile and garments industries would be jobless. It would also adversely affect many other workers in allied industries.

It has been estimated that the cut would mean a reduction in export earnings by \$70 million annually. But since the textile and garments industries are growing, the loss, according to the Ministry of Trade and Industry, would likely climb to P170 million.

The losses in employment and export earnings would come at a time when unemployment is high and the economy is suffering from a heavy foreign debt.

If justice were to be considered to be less respectful of national boundaries, the proposed cut would be unjust to the Filipinos and other peoples similarly situated, much more so than if American workers were to be rendered jobless by the present rate of importation. Because there are relatively more jobs available in the United States and workers there are cushioned by unemployment insurance, social security benefits, and so on.

In some quarters of the government, there is talk of instituting retaliatory measures. Such measures are the most effective deterrent to protectionism. But probably retaliation would be implied in this particular protectionist proposal, for the loss of P170 million in export earnings would mean that much money lost for importing goods. It would also mean more difficulties in repaying the foreign obligation. Repayment is a problem for both the debtor and the creditors.

Business Leaders Urge Review of Accords

HK140832 Manila BULLETIN TODAY in English 12 Oct 85 pp 1, 14

/Text/ Business leaders urged the government yesterday to review all agreements entered into between the Philippines and the United States with the end in view of adopting a national policy toward retaliatory measures against products coming into the country from the United States.

This demand was aired by more than 100 presidents of business associations and companies to express their opposition to the proposed United States Textile Trade Enforcement Act of 1985, also known as Jenkins bill.

The business leaders who were identified with the Philippine Exporters Foundation, a nonstock and nonprofit corporation set up to strengthen the national effort for the development and expansion of Philippine exports, described the Jenkins bill as "unfair, unjust, unfriendly, and discriminatory."

They issued a board resolution which expressed strong opposition to the proposed bill and any protectionist move which violate existing agreements in international trade, such as the General Agreement on Tariffs and Trade (GATT) and the Multi-fiber Agreement.

The two-page resolution was submitted to the U.S. Government through the U.S. Ambassador to the Philippines Stephen Bosworth, and the Philippine Government through the Minister of Trade and Industry Roberto V. Ongpin.

The United States is one of the Philippines' top major trading partners and one of the major markets for garments, the country's second ranking nontraditional exportable product. The Philippines earns between \$350 to \$400 million yearly from exporting textile and garments to the United States.

Businessmen expressed fears that any protectionist move by any of the country's trading partners would derail efforts of the Philippines to recover from its prevailing economic difficulties. The Philippine economic recovery program depends largely on the generation of foreign exchange earnings through exports.

The proposed law, if enacted, is expected to cut back Philippine exports of garments in 1985 and thereafter, by more than 20 percent, consequently weakening Philippine economy with the decrease in foreign exchange earnings.

Business, Labor Manifesto

HK120423 Quezon City Maharlika Broadcasting System in English 0400 GMT 12 Oct 85

/Text/ The U.S. Embassy in Manila is sending to the U.S. Congress the manifesto of a big group of business and labor organizations against the Jenkins Bill. This was the pledge made by a U.S. Embassy economic counsellor following the demonstration staged at the embassy yesterday.

The Jenkins Bill, which was approved on Friday by the U.S. House of Representatives, limits the exports of textiles and garments by the Philippines and other Asian countries. The chairman of the Confederation of Garment Exporters, (Gentin Santiago), hopes the demonstrations against the bill will sway President Reagan into vetoing the measure.

/Begin Santiago recording/ What we want to do is give some moral support, some form of moral support to President Reagan and the U.S. Administration. President Reagan has publicly declared that he is for free and fair trade and against protectionism. /end recording/

Columnist Suggests Boycott

HK140908 Manila PHILIPPINES DAILY EXPRESS in English 13 Oct 85 p 4

/From the "Over a Cup of Coffee" column by Teodoro F. Valencia: "Let's Boycott U.S. Goods"/

/Text/ The best way to retaliate against the passage of the protectionist Jenkins bill is to boycott American goods. Let us buy from other countries. That will hurt the American farmers and manufacturers and they will hate their senators and congressmen for it.

By passing the Jenkins bill, the members of the U.S. House of Representatives proved that Americans do not practice what they preach. American officials have always proclaimed that they are against trade protectionism. But the Jenkins bill is a terrible protectionist measure which will wreak havoc on the economy of developing countries in Asia. To make matters worse, the bill is discriminatory because it will affect only the textile and garment imports of the United States from Asia but not those from Europe.

Press Criticism Summarized

HK130448 Hong Kong AFP in English 0445 GMT 13 Oct 85

/Text/ Manila, 13 Oct (AFP)--Newspapers here today denounced the passage by the U.S. House of Representatives of a bill seeking to restrict garments and textile imports from Asia, and warned of strained U.S.-Philippine relations.

However, it warned against a "tit-for-tat" reaction, saying the Philippines was not in a position to do so and it would further hurt the economy in the long run.

President Ferdinand Marcos' spokesman Adrian Cristobal said in his column in the BULLETIN newspaper that the legislation "if passed would dismantle the textile industry and render thousands of workers jobless."

He said this proved that the interests of the U.S. lawmakers "override any sentimental considerations of friendship and amity" with Washington's foremost Asian ally.

"The best way to retaliate against the passage of the protectionist Jenkins Bill is to boycott American goods," prominent columnist Teodoro Valencia said in THE DAILY EXPRESS newspaper.

Mr Valencia, generally regarded here as Mr Marcos' unofficial spokesman, said the bill passed by the House Thursday was discriminatory since it would affect only Asian products, and "proved that Americans do not practice what they preach."

All but one of Manila's five dailies today came out with editorial cartoons expressing their outrage over the bill, which industry leaders said would slash the country's 2.5 tonne annual exports by 20 percent, resulting in the loss of 80 million dollars in government revenue and the jobs of over 90,000 workers.

The Malaya editorial cartoon showed a giant Uncle Sam dumping U.S. goods on Philippine soil and resisting Philippine exports with a thicket of "protectionist" spears.

CSO: 4200/71

PHILIPPINES

COLUMNIST HITS MANILA DEPENDENCE ON UNITED STATES

HK140920 Manila BULLETIN TODAY in English 13 Oct 85 p 6

[Column by Adrian Cristobal: "Jenkins and McCurdy"]

[Text] Jenkins and McCurdy are two separate acts but they belong to the same comedy: our continuing dependence on the United States. The Jenkins bill will, if passed, dismantle the textile industry and render thousands of workers jobless. The McCurdy proposal, on the other hand, will replace Filipino guards of U.S. military bases with Americans, in anticipation of the catastrophe that will follow what the congressman calls "Marcos' intransigence." One congressman does not pretend to care what happens to a "special ally" in the same breath that another pretends to care very much about the Filipino people even if the bottom line is the security of the bases here. As an earthy wag puts it, "when they got you by the b-11, it doesn't matter which b-11 is squeezed according to their mood."

Note clearly that employers and workers are one in denouncing the implications of the Jenkins bill and appealing to the Reagan administration to prevent its enactment. The concern is desperate and, therefore, understandable: so much idle equipment and, worse, jobless workers in the midst of economic difficulties can lead to destabilization.

But there has been no great ripple over the pronouncement that Filipino soldiers would be incompetent about safeguarding the American military bases. The one symbolic show of sovereignty over these bases will just be scrapped in violation of international agreement. But this concerns only national dignity, not jobs. Moreover, this insult seems to please oppositionists, who are unable, it seems, to distinguish being opposed from being Filipino.

While everyone must sympathize with the textile industrialists and their workers, one must also point out that their invocation of the last world war, in which Filipinos and Americans fought as comrades for democracy, is a logical fallacy that is not likely to move the proponents and supporters of the Jenkins bill. For in their view, the interests of their constituents override any sentimental considerations of friendship and amity.

As for exempting Western European countries and others proximate to the United States, the protesters must grant that while Europe can retaliate if restricted

by protectionism, the only thing that Filipinos and other Asians can do is to threaten not to fight any more American wars. But this is not the kind of thing that impresses. If war should come, everyone will be in it, textile quota cuts or no.

Jenkins and McCurdy offer us an unsolicited lesson in dependence. It is that independence--political liberation and economic emancipation, if you will--is, like genius, "an infinite capacity for taking pain(s).

CSO: 4200/71

PHILIPPINES

DAILY: JENKINS BILL 'COULD SPARK INTERNATIONAL REPERCUSSIONS'

HK151221 Manila PHILIPPINES DAILY EXPRESS in English 14 Oct 85 p 4

[Editorial: "Patently Protectionist"]

[Text] Three Asian governments have expressed strong sentiments against the passage of the protectionist Jenkins bill now pending in the U.S. Congress, warning of possible retaliatory measures which could jeopardize their trade ties with the United States.

The People's Republic of China, Taiwan, and South Korea stand to be the most affected once the bill becomes law. The three are the biggest exporters of textiles and garments to the United States. The Jenkins bill intends to slash U.S. textile and garment imports from 12 major export nations, including the Philippines, by at least 35 percent. Except for one, the major exporters are Asian nations.

Only last week, Prime Minister Lee Kuan Yew of Singapore issued a passionate appeal before the U.S. Congress against protectionist measures which could shake the world economy and push developing nations to the communist camp. Singapore is also a major exporter of textile goods to the United States.

The Philippine government should perhaps follow suit and officially lend its voice to the growing Asian opposition to the clearly protectionist and discriminatory bill. While it is true that the Philippines shares only 2.47 percent of total U.S. textile and garment imports, the adverse effect of the bill could severely hurt the still beleaguered and fragile Philippine economy.

Local garments and textile manufacturers have been vocal against the Jenkins bill, even staging a demonstration in front of the U.S. embassy to express their opposition. Other sectors, including the media, have been also articulate against the pending measure.

It is not difficult to realize why the Jenkins bill enjoys popularity in the United States. The bill emerges as the answer, in the eyes of the American public, to the flooding of the market with cheap, quality textile goods from Asian exporters and the squeeze being felt by the American textile industry and its workers.

But while protectionist measures may appear to be the logical and easy solution, they could spark international repercussions which could hurt the economies of many nations, including the United States. The collective voice of Asian governments should help drive home this point.

PHILIPPINES

DEFENSE MINISTER DOUBTS U.S. WILL LEAVE BASES

HX130827 Manila BULLETIN TODAY in English 13 Oct 85 pp 1, 14

[Article by Jose de Vera]

[Text] Baguio City--Defense Minister Juan Ponce Enrile expressed doubts last night that the United States would pull out its military facilities from Clark and Subic.

Addressing the Baguio-Benguet Lawyers Association here, Enrile said: "I doubt if the Americans will pull out except if it is demanded by the sovereign will of our people."

He cited three "monumental costs" that the U.S. would incur if it decides to remove its military bases from the Philippines and transfer them elsewhere. These are:

1. The transfer cost from the Philippines to Tinian or Guam would run to about \$8 billion.
2. The continuing cost of added naval steaming time and air travel time to be incurred in defending the sea lanes of South China Sea from Tinian or Guam, which are about 1,500 miles east of the Philippines.
3. The political cost involved in an implied retreat of the U.S. Pacific line of defense eastward in terms of the overall balance of power in the region.

At the same forum, Enrile said that "it would not come as a surprise" if the political opposition were infiltrated by the underground movement.

Although declining to comment on the specific charges aired by former Sen Eva Estrada Kalaw that the Salonga wing of the Liberal Party was infiltrated by communists, Enrile said that it is only natural for Marxist revolutionaries to try to infiltrate all influential institutions, in order to erode the democratic system.

We likewise urged the militant group Bagong Alyansa ng Bayan [New Nationalist Alliance] to help produce witnesses in the Escalante mass killing so that those found liable can be properly charged in court.

He stressed that there would be no whitewash in the case. He urged the Integrated Bar of the Philippines (IBP) to set up its own panel to assist in the prosecution.

"We will continue to facilitate and to encourage, as we have consistently done so in the past, the meaningful participation of concerned lawyers in any and all investigations of alleged human rights violations involving the military, the police and the Civilian Home Defense Force," he said.

"I consider such participation imperative to the workability and effectiveness of our democratic system, which we must all strive to uphold and to preserve in the face of insidious attempts by subversive quarters to render it ineffective in addressing the grievances of the people," he added.

According to Enrile, the Armed Forces will look into other alleged human rights violations like the reported beheading in Bakun, Benguet, of Fr Nilo Valerio, a priest who joined the New People's Army (NPA).

CSO: 4200/72

4 November 1985

PHILIPPINES

LAG IN TECHNOLOGY CITED; REMEDY PROPOSED

HK151414 Manila BUSINESS DAY in English 14 Oct 85 p 12

[Text] The Philippines is 10-15 years behind other Asian countries in science and technology (except Brunei), 20-30 years behind Taiwan, Singapore and South Korea, and 50-75 years behind Japan, the United States, and other advanced countries.

This was revealed by Dr Roger R. Posadas, dean of the University of the Philippines [UP] College of Science and a Ph. D. in physics during a recent symposium on "Nation in Crisis II" held at the UP, Diliman.

In this light, Posadas proposed the adoption of an alternative scientific and technological development program he calls "strategy of technological leapfrogging."

This strategy would attempt to free the country from the vicious cycle of technological backwardness and dependence through the acquisition of adaptive, replicative and innovative mastery of these advanced technologies, he said.

Technological leapfrogging, Posadas explained, consists of a combination of activities designed to bring about technological self-reliance through the selective importation of relevant technologies and the encouragement of locally-developed technology.

Posadas said the sorry state of science and technology in the country is caused mainly by the lack of a strong government push for scientific and technological development and lack of an effective economic demand for local inventions.

He cited government reports which showed that national expenditures on scientific and technological activities amount to less than one-tenth of 1 percent of gross national product (GNP). In contrast, other countries spend as much as 2 percent to 4 percent of their GNPs.

To enable the Philippines to leapfrog the science and technology gap with other countries, Posadas proposed the institution of a strong educational and economic system sympathetic to scientific and technological advancement.

He also called for the establishment of an extensive internationally-linked information system which would help update science and technology requirements in the country.

CSO: 4200/90

PHILIPPINES

CLARK AIR BASE TO BE SUED FOR RADIATION DEATHS

HK141140 Manila TIMES JOURNAL in English 13 Oct 85 pp 1, 4

[Article by Ben Gamos]

[Text] Angeles City--Four of 11 Filipino guards hired by the U.S. Air Force at its facility Camp O'Donnell in Concepcion, Tarlac, who died between 1983 and early this year, died of cancer caused by radiation from the powerful radars at that installation.

This was disclosed yesterday by Remigio Simpillo, president of the Filipino Civilian Employee Association in Clark Air Base, who said his group is collating medical and other pertinent documents preparatory to the filing of damage claims against the U.S. Air Force in behalf of the heirs of the victims.

Simpillo promised to name the four victims and produce the medical records shortly.

The USAF has also radars in Clark Air Base but Simpillo said there is no known deaths there related to the equipment.

The Camp O'Donnell facility is spread on a flatland covering some four hectares. Aside from the radars, it also holds transmitting and receiving antennas.

Simpillo said his association was compiling documents on the causes of ailments and deaths of its members at about the same time the deaths and affliction from asbestosis of workers at the Subic naval base in Zamboanga was brought to the attention of Mayor Monty Manibog of Monterey Park, California, by Roberto Flores, president of the Federation of Filipino Civilian Employees Association in U.S. Facilities.

A driver at the public works center at Subic, Almario Edejer, died from exposure to asbestos. The victim's widow is suing the U.S. Navy for damages.

Several other workers at Subic who have either quit or were retired after they were stricken with asbestosis are taking similar action.

Simpillo said his association has no record on the reported death from radiation from U.S. Air Force radars in Clark Field among residents of Mabalacat, Pampanga.

Portions of Mabalacat form part of Clark Air Base and its people live near the radar station site.

Meanwhile, a former vice president, four cabinet ministers, a jurist, a constitutionalist, a city mayor, an opposition leader, and academicians will discuss the issue involved in the RP [Republic of the Philippines]-U.S. military bases agreement at a multi sectoral colloquium at 2 pm Thursday, at the National Press Club's Bulwagang Plaridel.

The panelists will include former Vice President Emmanuel Pelaez, Defense Minister Juan Ponce Enrile, Labor Minister Blas Ople, Trade and Industry Deputy Minister Renato Cayetano, MP Arturo M. Tolentino, former Supreme Court Justice J.B. L. Reyes, Unido president Salvador Laurel, Haydee Yorac of the UP [University of the Philippines] Law Center, Prof. Patricia Ann Paez of UP Manila.

Olongapo City Mayor Richard Gordon and Roberto Flores, president of the 22,000-strong Federation of Filipino Civilian Employees Association, are also expected to air their positions.

Pelaez participated in previous negotiations of the Agreement while Enrile and Cayetano co-sponsored recently a Batasan resolution calling for the abrogation and renegotiation of the agreement.

Former Deputy Foreign Minister Jose Ingles, now dean of foreign service of the Lyceum of the Philippines, will represent Laurel in the proceedings.

CSO: 4200/90

PHILIPPINES

EDITORIAL ON U.S. MILITARY BASES ISSUE

HK141100 Manila PHILIPPINES DAILY EXPRESS in English 13 Oct 85 p 4

[Editorial: "The Height of Effrontery"]

[Text] The statement emanating recently from Clark Air Base saying that the United States is shelving plans to invest some \$1.3 billion for the rehabilitation of facilities at Clark and Subic, where the biggest American naval base outside the U.S. mainland is located, allegedly because of current moves here to seek the renegotiation or abrogation of the military bases agreement, takes the cake in effrontery.

It presumes that the only language the Filipinos know is that of dollars and cents, and the obvious message is that the Philippines stands to lose a fantastic sum if our leaders, from both the majority and minority parties, want either a new bases pact or none at all.

Thus, the statement glosses over the trampling of basic provisions whenever it suits the U.S. Congress, or of its members who are out to win points with their constituents. And it also conveniently forgets that the bases agreement does not unilaterally benefit the Philippines, and that the Americans are there because it is also to their benefit that they be there. Or does the statement suggest that the agreement, a commitment between two sovereign nations, is "more mutual" on the side of the U.S.?

The statement also conveniently omits the fact that the U.S. bases carry a "boon and bane" effect, as is much in evidence in the cities of Olongapo and Angeles, the communities directly impacted by the American presence in the bases.

Thus, the bases, as has been explained time and again by Olongapo Mayor Richard Gordon, are a boon in the sense that they provide jobs and opportunities. And whether one likes it or not, communities like Olongapo and Angeles just might go the way of Sangley Point, now a veritable ghost town, when the Americans start pulling out.

But there is also the "bane" side of it. Americans, through the years, have directly changed Filipino values and attitudes, and, in the process, have placed a big question mark on the very identity of the Filipino. They have also brought social problems, wreaked havoc on the facilities of the communities surrounding the bases, aside, of course, from the oft-stated argument that the very presence of the bases invites or provokes retaliation from the enemies of the U.S.

The bases issues is thorny enough as it is. Exacerbating it by statements which smack of blackmail will not help clear the issue any.

CSO: 4200/72

PHILIPPINES

U.S. SHARE OF FOREIGN INVESTMENT DECLINES SINCE 1979

HK150905 Manila BULLETIN TODAY in English 14 Oct 85 p 27

[Text] American investments, as a percentage share to the aggregate foreign equity in the country, have shown a decreasing trend during the past six years (1979-1984), statistics gathered from the Securities and Exchange Commission (SEC) showed.

Statistics showed that from a high 86.8 percent share in the country's total foreign investments in 1979, American investments dropped to 42.4 percent share by 1984. On the average, U.S. investments posted a 49.7 percent share of the total foreign equity during the past six years.

In terms of capital outlay on business expansion, the American percentage share also followed a downward trend. From a high of 91.2 percent in 1979, Americans' share to total foreign contributed capital dropped to 44.7 percent share by 1984.

Initial U.S. investments' share, however, remained within the 10-to-20 percent range throughout the six-year period.

In terms of average growth rate, U.S. investments declined by 37.3 percent 1979-1984. Likewise, total foreign investments registered a negative growth of 10 percent.

The decline in U.S. investments was attributed mainly to the decrease in U.S. investments in the manufacturing industry.

Based on SEC statistics, U.S. capital showed substantial improvements from its modest level of p [pesos] 35.8 million in 1980 to p226 million in 1982. The 1981 yearend record showed that U.S. investments reached p78 million.

U.S. investments in the Philippines refer to the initial paid-up capital put in by investors in newly incorporated domestic corporations and partnerships as well as to capital expansion through paid-up capital increases.

U.S. investors in the domestic enterprises showed preference to expand investments through capital increases in existing joint venture rather than forming new ones with uncertain return on investments, according to the SEC.

Of the total U.S. investments of p1.56 billion, p1.5 billion, or 96.9 percent share, was infused into equity increases. Meanwhile, p49.2 million or 3.1 percent share was pumped into newly incorporated firms.

PHILIPPINES

ECONOMIC INDICATORS ON EMPLOYMENT INDEX

HK110912 Manila BUSINESS DAY in English 10 Oct 85 p 2

["Economic Indicator" column: "Employment Index Drops 6 Percent"]

[Text] The employment index of key establishments in the manufacturing sector dropped 6.38 percent in July compared to its yearago level, according to data based on the monthly survey, covering some 200 manufacturing enterprises, conducted by the National Economic and Development Authority (NEDA). In July, the employment index, with 1981 as base year, stood at 79.2 index points, 5.4 index points lower than the 84.6 index points registered in the same month in 1984.

The index of employment is the ratio between the employment in a particular month of the present year and the employment in the same month during the base year.

The lower employment index could be due to plant shutdowns brought about by the national crisis.

Almost all manufacturing subsectors registered lower employment indices compared to those in the base year except for petroleum products, whose employment index stood at 105.1 index points, and miscellaneous manufactures with 146.2 index points.

Although the majority of the manufacturing subsectors showed declines in employment, two managed increased in July. These were rubber products which rose by 3.03 and the textile subsector which grew by 6.85 percent.

[Table on next page]

Index of Employment of Key Manufacturing Enterprises, by Industry

July 1984 -- July 1985

(1081 -- 100)

1984

	Jul	Aug	Sep	Oct	Nov	Dec
Manufacturing	84.6	85.5	84.0	84.4	84.8	83.2
a. Food	93.8	91.3	90.4	92.2	94.5	95.0
b. Beverage	91.9	91.9	87.4	88.1	87.6	88.0
c. Tobacco	77.4	77.2	75.5	74.9	74.7	74.6
d. Textile	78.8	85.9	83.5	84.8	85.1	82.5
e. Wearing apparel	108.2	108.9	107.5	107.3	107.7	111.0
f. Wood and wood products	95.2	95.7	95.1	93.5	93.5	92.2
g. Paper and paper products	102.0	101.0	99.3	95.5	98.1	97.9
h. Chemicals & chemical products	83.2	83.4	81.9	81.9	82.3	71.6
i. Rubber products	95.7	102.3	102.5	107.2	101.6	101.2
j. Petroleum products	108.3	107.0	107.0	108.2	107.5	107.5
k. Nonmetallic mineral products	77.7	78.0	74.6	73.2	72.4	69.8
l. Basic metals	71.5	73.6	72.7	72.8	72.4	64.5
m. Transport Equipment	32.5	32.6	[?]	31.9	30.7	30.4
n. Electrical machinery	60.9	59.9	[?]	61.6	60.9	62.1
o. Miscellaneous	172.3	174.3	173.3	174.4	175.7	176.6

1985

	Jan	Feb	Mar	Apr	May	Jun	Jul
Manufacturing	84.2	83.0	82.2	77.7	79.3	78.6	79.2
a. Food	97.3	94.3	95.6	91.0	90.3	90.1	92.2
b. Beverage	91.8	89.7	90.2	87.9	87.9	88.1	89.7
c. Tobacco	74.5	73.4	73.3	72.6	72.2	72.0	72.5
d. Textile	85.7	85.4	83.0	70.5	80.7	79.7	84.2
e. Wearing apparel	107.6	103.5	101.2	95.1	95.6	95.2	96.1
f. Wood & wood products	92.7	92.5	91.2	88.5	87.1	84.4	76.4
g. Paper & paper products	94.6	95.6	93.6	92.7	92.4	89.8	90.1
h. Chemicals & chemical products	73.2	72.7	70.5	69.8	69.2	69.4	68.6
i. Rubber products	103.9	102.3	101.5	94.7	101.4	99.5	98.6
j. Petroleum products	107.8	107.8	107.1	108.0	107.6	106.7	105.1
k. Nonmetallic mineral products	68.6	66.5	65.5	64.3	65.1	63.4	63.3
l. Basic metals	62.7	63.9	65.0	63.5	65.1	67.0	69.8
m. Transport equipment	33.7	30.2	30.0	29.4	28.1	27.6	28.0
n. Electrical machinery	59.7	62.2	62.1	58.7	62.1	59.8	60.2
o. Miscellaneous	177.3	176.5	175.2	147.3	147.6	148.3	146.2

Source: Monthly survey of key manufacturing enterprises
Statistical Coordination Office
National Economic and Development Authority

4 November 1985

PHILIPPINES

CENTRAL BANK TO EASE RULES ON UNUSED \$1 BILLION

HK130738 Manila BULLETIN TODAY in English 11 Oct 85 p 21

[Article by J. C. Concepcion]

[Text] The Central Bank [CB] will simplify its rules and regulations to speed up availment by the private sector of some \$1 billion in foreign loans which have been committed to the Philippines but which remain unused until now, government sources said yesterday.

While the stringent CB rules make availment of these funds difficult, the lack of demand for these funds by local businessmen who are facing difficulties identifying lucrative investment ventures is another factor that can also be considered, sources said.

The bulk of these available loans is earmarked for the private sector, and is to be channeled mainly to various agricultural programs, sources said.

Sources said the government would like the private sector to avail of these loans because its commitment has an expiration period.

In addition, the government is paying a substantial amount in commitment fees to various foreign lenders during the time that these \$1 billion loans are committed and remain unutilized, sources said.

The exact amount of commitment fees being paid by the government could not be determined immediately as they vary from one type of loan to another.

Sources admitted that the slow availment of the available foreign loans can also be attributed to a certain extent on the seeming lack of initiatives of private businessmen to invest on various local ventures owing to various reasons like the current economic uncertainties.

CSO: 4200/72

PHILIPPINES

PLAN TO SELL STATE FIRMS' ASSETS TO PRIVATE SECTOR

HK151251 Manila BUSINESS DAY in English 14 Oct 85 p 2

[Article by Rigoberto Tiglao]

[Text] The government is planning to use part of the proposed \$250-million loan from the World Bank to create a fund from which the private sector can borrow pesos at rates slightly lower than market interest costs for the purchase of the acquired assets of state corporations.

BUSINESS DAY sources in the government involved in drawing up the terms for the World Bank loan that would support the restructuring of the over 300 government-owned or -controlled corporations said this scheme so far seems to be the only way the government firms can dispose of their huge acquired assets, most of which continue to remain idle. Government officials said, for example, that the Development Bank of the Philippines (DBP) and the Philippine National Bank (PNB) together have non-performing assets amounting to P62 billion.

A World Bank report had hinted that the non-performing assets explain both the huge amounts of dollars salted abroad in the past decade (through the overpricing of imported machineries) and the significant decline of capital productivity in the country. The World Bank had estimated that if this existing capital can only be put to use, the country's output can be increased by as much as 20 percent "with little or no investment."

The government wants to dispose not only of the acquired assets of these two state banks. It is also planning to privatize a number of corporations attached to line ministries, such as the Food Terminal, Inc. (FTI) and even the National Food Authority (NFA). There are also other firms owned by government entities--for instance the group owned by the Government Service Insurance System (GSIS)--which the government wants to sell to the private sector.

Government officials said the loan fund appears necessary since the depressed economic conditions, which are not expected to drastically improve at least within the next years, are discouraging the private sector from purchasing the acquired assets. "While there may be no way to make the purchase of a number of acquired assets attractive to the private sector, some of the

acquired assets if they were purchased soon would be good buys," one official noted. "It is just the uncertain conditions that are preventing them from being purchased. Providing the private sector with cheap funds for the purchase could be the incentive needed."

The plan to set up a cheap loan fund to finance the purchase of the acquired assets will be done within the program for reorganizing the government financial institutions. Under this program, the PNB and the DBP will be merged (a source said that Land Bank of the Philippines is "Definitely" out of the merger plan) at the same time that their non-performing assets are transferred to a government corporation in charge of disposing them. This proposed government corporation is termed, in jest, by monetary officials as the GDU for garbage disposal unit. An industrial bank that would specialize in medium- and long-term financing to industry will also be simultaneously set up.

While negotiations for the purchase of a government-acquired company will be undertaken between the private buyer and the GDU, the sources said it is not definite yet whether the industrial bank will be used as a conduit for the loan fund to finance the private sector acquisitions.

The government however will be free to determine the conduit for the loan fund, as the World Bank loan's condition will be mainly on a program basis. This means that rather than specifying the use of the loan proceeds, the loan terms will only specify what reforms the government will commit to undertake as a condition for the loan approval by the World Bank.

Talks going on in financial circles claim that some high ranking government officials appear to be very interested in heading the CDU.

CSO: 4200/90

PHILIPPINES

POLITICAL IMAGE ABROAD TO AFFECT DEBT RESTRUCTURING

HK151017 Manila BUSINESS DAY in English 14 Oct 85 p 2

[Article by Conrado Banal III]

[Text] The Philippines is sinking deeper into political difficulties. This is the growing perception abroad, bankers said, and it will be the main drawback in restructuring the country's debts which the government will still have to do in the next few years.

The government took almost two years to package the initial restructuring of the country's foreign debts, but the program is finally getting off the ground.

However, to maintain the confidence of its creditors during the next phases of the program, the country has to prove that the program is working, bankers said. How these creditors will view their risks in the Philippines will be determined to a considerable extent by the political scene, they said.

News abroad picture the Philippines as a country with an unpopular government, a disorganized opposition, and a growing communist insurgency problem, bankers said. Their contacts among foreign banks are even entertaining the possibility of a full blown civil war breaking out in the country, they said. Foreign banks are worried that such a war could happen, and this will show in their posture in the next negotiations for the country's financial restructuring program, they said.

To many bankers, the program's important ingredients--for instance, the willingness of the international banking community to join the package--are already in place. Only such details as the documentation of the country's foreign debt rescheduling have to be finalized.

But the present rescheduling only covers loans maturing up to 1986. Moreover, about \$4.5 billion of the country's foreign debts are short-term obligations. About \$3 billion of these make up the trade financing facility from foreign banks which will expire next year. It is certain that the government will have to renew this line.

Prime Minister Cesar Virata had declared that the government will have to pursue two more reschedulings of the country's foreign debts, perhaps to

include loans maturing up to 1990. The idea is to "achieve a debt payment pattern that the Philippine economy can afford."

Bankers generally have no doubt that, given the right impetus, the economy could earn enough foreign exchange to pay its maturing loans after the necessary rescheduling arrangements are completed. One pointed out, for instance, that Filipino workers abroad are highly praised for their skills and ability to learn fast. "Those workers can do their thing here, and there are many more available."

For their second rescheduling agreements, other countries obtained relatively better terms than what the Philippines got in its present agreement--its first. But can the country, in pursuing further reschedulings of its foreign debts, obtain the "easier" terms that the government believes would be forthcoming? Bankers said much depends on the foreign banks' perception of the political risk in the Philippines.

In the \$3-billion trade financing facility, for instance, some foreign banks may already be thinking of asking for payments when it expires next year, if the political situation worsens, bankers said.

CSO: 4200/90

PHILIPPINES

JAPANESE LOAN \$70 MILLION BELOW REQUEST

HK140905 Manila TIMES JOURNAL in English 12 Oct 85 p 8

[Article by Cesar Barrioquinto]

[Text] The \$230-million 13th yen loan for the Philippines approved Thursday is \$70 million short of the amount actually requested by the Philippine Government.

The Philippines had originally asked for a total of \$300 million from the facility which comes under Japan's Overseas Economic Cooperation Fund (OECF).

It had requested that half of the amount be used to fund various government projects and the other half to finance commodity imports of the private business sector.

The Japanese government's announcement of the actual package means that it had decided against increasing the amount for private sector use due to poor availment of the commodity package under the previous 12th yen loan.

Japanese Embassy sources had indicated recently that while Japan viewed "with understanding" the Philippine Government's request for an increase in the loan facility's commodity package, it was not likely that it would be approved.

Yesterday, the same sources also failed to indicate whether a request that part of the commodity loan be used to import commodities from countries other than Japan had been approved.

Economic Planning Minister Vicente Valdepenas Jr. had told reporters recently that the Philippine Government transmitted this proposal on the request of some sectors.

He explained that the Fertilizer and Pesticide Authority (FPA) alone wanted to know if part of the 13th yen loan or the unused portion of the 12th yen loan could be used to import fertilizers from Indonesia.

Government sources indicated yesterday that approval of the commodity package of the loan means that the Philippines was able to comply with some of the requirements imposed by Japan before a portion of it would be converted for commodity financing.

These conditions include removal of the restriction which limits the amount that a local company can import to \$50,000, addition of such items as spare parts necessary for the production of automobiles and "extension of import usance to local importers, with the Philippine Central Bank (CB) taking exchange risk."

However, it was not clear if the Philippines was able to comply with all of these conditions since the conditions were premised on a request for \$150 million in commodity loans.

Sources from the National Economic and Development Authority had said recently that the extension of import usance requirement means that "for every availment by local importers of a commodity loan, the CG must guarantee the payment of the imports with an equivalent foreign exchange amount."

CSO: 4200/90

PHILIPPINES

JAPANESE LOAN TO FINANCE 11 SOCIOECONOMIC PROJECTS

HK150957 Manila BULLETIN TODAY in English 14 Oct 85 p 26

[Text] Eleven socioeconomic development projects are to be financed by the 33 billion yen (\$152 million) project loan component of the 49.5 billion yen (\$230 million) 13th yen credit for the Philippines approved by the Japanese government last week.

The project loan component has a term of 30 years, including a grace period of 10 years at an interest rate of 3.5 percent annually.

As approved by the Japanese and Philippine government, the 11 projects to be financed by the 13th yen credit are the following:

1. Philippine-Japan Friendship Highway improvement project costing \$20.8 million. This involves the improvement and construction of the highway between Laoag and Allacapan (72 kilometers) in norther Luzon.
2. Rural water supply project (iii), costing \$11.9 million involving the construction of deep wells and water supply system all over the country to cope with the demands for water supply and improve living conditions in the rural areas.
3. Provincial water supply project, costing \$3.5 million, involving the construction of ground reservoirs, infiltration galleries, distribution pumps and others to meet the demand for water supply of an increasing population and improve living conditions of communities in ilocos Norte.
4. Nationwide air navigation facilities modernization project (ii), costing \$35.3 million. This project aims to modernize the facilities of many airports located all over the country. The first phase of this project has already been implemented under the seventh yen loan package.
5. Regional telecommunications development project for Regions i and ii costing \$38.7 million. Phase A of this project has already been implemented under the ninth yen loan package. In Phase b, expansion of telephone exchange stations and lines will be undertaken.

6. Flood forecasting and warning system for dam operation project ii. Costing \$18.5 million, this project aims at effectively utilizing five existing dams and reservoirs located in Central Luzon for the purpose of controlling floods and mitigating their damages to lives and properties in the downstream reaches of the dams by means of establishing an integrated flood forecasting and warning system.
7. Maritime communications project, costing \$700,000. This loan will be used for financing engineering services on public communication services to priority maritime districts in the country.
8. Metro Manila Circumferential Road no. 3 (c-3), costing \$6.7 million. This road project will reduce traffic congestion of the C-4 (EDSA) [epifanio delos santos Avenue] which runs parallel to c-3.
9. Pampanga delta flood control and irrigation project, costing \$3.3 million, involves the installation of a flood control system in the delta area and a year-round irrigation water supply system with proper drainage facilities in the western side of the Pampanga River.
10. Floating unloader project, costing \$13.4 million, involves the installation of the floating unloader facility at the port of Manila to reduce the cost of imported cereals in terms of reduced demurrage charges, reduced spillage, handling expenses, and lower prices for consumers.
11. Nationwide ice plants and cold storage network system, costing \$800,000. This loan will fund the engineering services needed by the project.

CSO: 4200/90

PHILIPPINES

MANILA WILLING TO CONSIDER DEFERRING END TO RESTRICTIONS

HK111355 Manila BUSINESS DAY in English 9 Oct 85 p 2

/Text/ Deputy Trade and Industry Minister Edgardo L. Tordesillas, concurrently the managing head and vice chairman of the Board of Investments (BOI), said the government would consider deferring the lifting of import restrictions on certain items "if there is enough justification."

Already, three major industries--the glass, tire and canned meat processing sectors--have submitted position papers to the BOI justifying the need to postpone import liberalization.

Other industries to be affected include chemical and chemical fibers, iron and steel, textile, tin, pulp and paper, consumer durables, ceramics, lamps and fixtures. These industries are expected to submit their respective position papers shortly.

The BOI was the principal agency monitoring imports at the height of the foreign exchange crisis. The agency however will have to give up this function once the liberalization program starts next year.

In the meantime, Tordesillas said the BOI is working closely with the Presidential Productivity Council's (PPC) ad hoc committee which was recently created to review all imported items scheduled for deregulation.

He said three meetings have been held so far. He said the government and the PPC ad hoc committee are now working on the mechanics of such safeguards as the antisurge and antidumping measures which are designed to protect local industries from the free entry of imports.

CSO: 4200/71

PHILIPPINES

BUSINESS GROUP CLAIMS 'ALARMING' INCREASE IN FOREIGN CONTROL

HK150955 Manila BULLETIN TODAY in English 14 Oct 85 p 28

[Text] A local business group charged yesterday that foreign control of the country's key industries has reached "alarming" proportions, citing statistics from the Securities and Exchange Commission.

Salvador Enriquez Jr., president of the National Economic Protectionism Association (NEPA), urged the government to adopt remedial measures to avert complete domination of local industries by foreign interests.

The NEPA official said that during the first eight months of 1985, foreign equity [word indistinct] thrice to P1.1 billion compared with only P405 million for the whole of 1984.

The bulk of the new foreign investments stems from the conversion of raw material supplies and loans to local companies into equity.

The scheme was allowed by the government as an alternative move to allow local companies to continue operation at a time when the country's foreign exchange position was very weak.

According to Enriquez, the practice was to have ended last year but "foreigners seem to continue gobbling up local firms."

He cited the case of the automotive industry which is now completely dominated by Japanese auto giants.

The NEPA official said the government should now enact remedial legislation that would require foreign companies to give up control of local firms within a specified period and retain equity participation only up to the allowable level.

In most industries, foreign participation is normally allowed only up to 40 percent of total equity.

CSO: 4200/90

4 November 1985

PHILIPPINES

PROGRAM TO RESTRUCTURE STATE CORPORATIONS RESISTED

HK141450 Manila BUSINESS DAY in English 11 Oct 85 p 3

[Article by Rigoberto D. Tiglao]

[Text] The government's program to restructure state corporations will be resisted by ranking government officials because of their stakes in these firms, an official involved in the Special Presidential Reorganization Commission (SPRC) which is overseeing the restructuring plan told BUSINESS DAY.

"So out of the 130 firms we want restructured, either by transforming them into line agencies of ministries, selling or dissolving them, we will be able to cover only 20 firms," he pointed out. The official also confirmed an earlier report that ranking government officials have been able to skirt Civil Service Commission (CSC) regulations on salaries through their memberships in the governing boards of a number of state corporations. All government officials are covered by CSC regulations which state, among others, that they cannot be compensated more than once as government employees.

The official explained that the restructuring program has already been firmed up, with the SPRC--chaired by Prime Minister Cesar Virata--drawing up the blueprint last June as scheduled.

"Each of these hundreds of state firms is under a (Cabinet) minister and each of them will approach the President to prevent his or her corporation from being restructured," he explained. "But we'll still be satisfied if we manage to restructure only 20 government corporations."

Although the official did not provide details, he pointed out that the country's budget deficit problems--which the government is now trying to work out with the International Monetary Fund (IMF)--would not have arisen if not for state corporations. "If all of them just managed to break even in their operations there would have been no budget deficit."

He pointed out there have been several instances since October 1983 when the national treasurer, Victor Macalincag, would suddenly receive a telex from a foreign creditor stating that the debt-obligation of a state firm has

already matured. "Since this would trigger a default on all of the country's debts, the treasurer is forced to scrounge for dollars to settle the obligation," he said.

The official said the SPRC has also found that the incorporation papers of some state-controlled firms appear to be highly irregular in that the articles stipulate that all of the corporations' debts are guaranteed by the national government. This is contrary to government regulations that all obligations must first be formally guaranteed by the national government.

Official figures--as contained in the government's letter of intent submitted to the IMF--show the magnitude of the financial requirements of state corporations. Out of the total public sector deficit in 1984 representing 3.6 percent of the gross national product (GNP), 2.1 percent of the GNP was accounted for by the national government while 1.5 percent was contributed by government corporations. Government estimates for 1985 show that out of the expected deficit representing 1.4 percent of GNP, 1 percent of GNP will be accounted for by the national government while 0.4 percent will come from government corporations.

The Commission on Audit (COA) recently reported that the 127 state firms it audited (out of the 303 government corporations) received subsidies from the national government last year totaling P2 billion and borrowed an additional P344.8 billion from both foreign and domestic sources to finance their operations.

The IMF itself, in its first comprehensive assessment made in May 1984 of the country's debt crisis, cited the problem posed by state firms: "While the national government budget was controlled (in 1982 and 1983), the rest of the public sector exercised a key influence on excess demand in the economy."

Studies indicate that the growth of public corporations has largely been a martial law phenomenon. Leonor Briones, an associate professor public administration at the University of the Philippines [UP], noted in a recent paper that a survey made by the Cabinet working group of public firms showed that two-thirds or 62 or 94 enterprises listed by the group were created either by presidential decrees or letters of instructions. Only one firm was created by the Batasan Pambansa or its interim version, the Philippine Dairy Corp. Briones in her paper quoted COA chairman Francisco S. Tantuico as saying: "It would not matter much if the (government) subsidies were indeed necessary, but sometimes the motive in their creation is merely to escape government audit, control or scrutiny."

Briones in her paper also emphasized the problem of multiple memberships of ministers in the boards of public enterprises. "Aside from the sheer physical impossibility of managing as many as 30 enterprises and just as many subsidiaries, a minister is supposed to have a 'national perspective', she pointed out. "There is the danger that his perspective will suffer if a minister spends most of his time sitting in board meetings."

The UP professor also made a point similar to the IMF's recent arguments that the problems in the agricultural sector, among other things, evolved from the overlapping system of regulatory and regulated bodies. "A minister cannot supervise himself," she noted. "Likewise, he cannot review his own decisions as (board) chairman (of a firm his ministry has regulatory powers over). We have situations where a minister is both regulator and competitor of a specific industry. In other instances, he sits in the boards of enterprises which have debtor-creditor and supplier-client relationships."

CSO: 4200/72

4 November 1985

PHILIPPINES

LOCAL PRODUCTION OF JET FIGHTER GROUNDED

HK151019 Manila PHILIPPINES DAILY EXPRESS in English 14 Oct 85 p 3

[Text] A Philippine Air Force [PAF] program to manufacture an aircraft locally has never gone beyond the prototyping stage despite a \$1.25 million investment and other expenses.

PAF sources yesterday said initial moves to locally produce the "Cali" (Ilocano word for eagle) has started but government authorities doubt the viability of the project.

The "Cali" can replace at least eight types of aircraft now used by the PAF and its introduction into the service will result in lower maintenance costs, proponents said.

The PAF, the sources said, now maintains stock inventories for four different types of trainers, a light attack jet fighter and three types of transport planes.

The Philippine government acquired the "Cali" from the American Jet Industries in 1976. The purchase included a prototype, an additional fuselage, engineering designs, drawings, working papers, flight test data and process sheets for the manufacture of the aircraft, exclusive rights to manufacture all military and commercial executive jet versions of the aircraft and exclusive rights to market the plane throughout the world.

The "Cali" needs minor variations from its original design to replace the eight aircraft, said proponents.

A paper prepared by Col Gerardo C. Protacio, senior test pilot at the PAF research and development center, [word indistinct] introduction to the PAF fleet will result in the standardization of aircraft now in its inventory since "Cali" uses the same engine as that of the F-5 "Freedom Fighter," the mainstay fighter aircraft of the PAF.

In his paper, Protacio said it is ironic that the government spent large sums of money in a civilian aircraft manufacturing venture that did not have a sure market and which remained mostly a "service" corporation but refuses to invest in a program which has a sure market (the PAF) and which will result in better defense readiness for the country.

A study earlier made showed that only 98 production copies of the "Cali" are needed to obtain an acceptable return on investment if the aircraft were produced locally.

The "Cali", proponents said, may remain operationally viable for more than 15 years.

PAF sources said the "Cali" will modernize the PAF's ageing fleet, which is becoming uneconomical to maintain.

Its local manufacture will provide employment to as many as 5,000 people, Protacio said.

CSO: 4200/90

PHILIPPINES

COLUMNIST ON PROSPECTS FOR AGRICULTURAL DEVELOPMENT

HK110921 Manila METRO MANILA TIMES in English 10 Oct 85 p 4

["Rallying Point" column by Mat Defensor: "Hope, Not Gloom"]

[Text] Looking at some hard data on the country's agricultural resources, such as those below, one feels a surge of hope that all is not yet lost for our country:

Of the 30 million hectares that make up the land area of the Philippines, only about 8.3 million hectares are planted to food crops and another 4 million hectares are used for commercial crops, or a total of only 12.3 million hectares are used for commercial crops, or a total of only 12.3 million hectares out of 30 million hectares being harnessed for food production. The country can well afford to use 7.5 million more hectares for food crop production if we are to tap to the fullest the vast potentials which our agricultural resources possess. Right now, with only about one-third of our total land area being utilized for food production, the country is producing approximately 30 million metric tons of food and commercial crops. The food crops output can easily reach 50 million metric tons per year with the full utilization of our arable agricultural lands.

And we are only talking about food crops. Agricultural production actually includes meat and fish production. Based on the 1983 inventory of the country's livestock, we had a total of 1.5 million cattle, 2.9 million carabaos, 62.2 million chickens, 5.5 million ducks, 7.9 million hogs, and 1.8 million goats. Millions must have been added to our livestock inventory since then with the determined drive of the government to develop and increase livestock production.

The prospects in fish production appear even brighter. The area covered by the country's marine resources is 211.6 million hectares--or about seven times greater than the size of the land area of the Philippines. Add to these some 180,000 hectares of inland fishery resources which are considered the largest hectareage of developed fishponds in Southeast Asia; 200,000 hectares of freshwater lakes; 128,000 hectares of virgin freshwater swamp-lands; 31,000 hectares of rivers and 19,000 hectares of reservoirs--with all these available agricultural resources, it will be readily understood why much of our riches still lie untapped and why there is still much hope for the future despite our present vicissitudes.

The government has in fact already recognized, although belatedly, the strategic significance of agriculture in the national economic recovery program, hence it now focuses attention on the full development of agricultural resources. The emphasis on agriculture hopes to achieve two basic objectives, namely, 1) stability in the supply of basic food items and, consequently, of food prices, and 2) increased export receipts through the sale of agricultural products to foreign buyers. Already the country's exports of bananas, pineapple, sugar, coconut, and canned tuna accounted for U.S.\$955 million last year, constituting a hefty 19 percent of our total export receipts.

To spur food production to new heights, a package of incentives for agricultural producers had been formulated with the filing by Prime Minister Cesar E.A. Virata of a bill in the Batasan known as the Agricultural Development and Incentives Act which provides financial, market, and credit incentives for firms engaged in agricultural production. Some of the incentives included in that bill are, to wit: 1) a 20-30 percent tax allowance on net taxable income for seven years; 2) 3 to 7 percent tax credit on gross sales for five years; 3) carry-over of net operating loss incurred in the first 10 years of operation; 4) 100 percent exemption from tariff duties of imported equipment for five years; 5) tax credit on local equipment; 6) tax credit on materials used for the production of exported items; 7) priority in credit allocation and preference interest rates; 8) technical and marketing assistance; and 9) simplified system of registration for small and medium scale products.

There is no doubt in our mind that the bill will be passed into law by the Batasan, the main author and sponsor being the prime minister himself whose political party, the KBL, dominates and controls the Batasan. There is also no doubt in our mind that once the bill becomes law, investments on the agriculture will be encouraged to the fullest and agricultural production and development will be speeded up to a degree not seen before.

This early, some twenty big corporations have invested sizable funds in agribusiness ventures. The fields of activity covered by the investments of these agribusiness firms are heretofore almost virgin areas insofar as commercial scale production is concerned. Note the variety of activities, bullfrog culture and processing, processing of palm oil into stearic acid, palm oil, oil stearen, castor seed meal production, mango-growing exportation, banana chips, cacao production, production of fruit purees, vegetable seed-growing, dried broom corn, animal breeding and dispersal, milk production, processing and marketing, livestock-raising, lettuce-growing, potato seed farming and mango puree processing.

The full and exciting story of agricultural development of the country has just begun to unfold. The signs that we see tell us that this story will have a happy ending for the inhabitants of this fortunate land.

PHILIPPINES

NPA SEEKING CONTROL OF FISHPOND INDUSTRY IN BULACAN

HK111515 Manila TIMES JOURNAL in English 10 Oct 85 p 3

[Article by Ben Camos]

[Text] Malolos, Bulacan--The New People's Army has turned its eyes on the lucrative multi-million peso fishpond industry in Bulacan as another financial source.

MP Teodulo C. Natividad, (KBL) [Dilusang Bagong Lipunan] who is also National Police Commission (NAPOLCOM), chairman, made this disclosure at a seminar on the new police setup at the Hiyas Convention Center here with local mayors, police station commanders, PC [Philippines Constabulary] authorities and NAPOLCOM officials.

Natividad said the NPA aims to gain control of the fishpond industry to make it another source of income.

There were reports that the subversives had already established a counterpart of the Marines on an islet baranggay in Malolos fronting the Manila Bay as its base of operations.

Military authorities in Central Luzon had said that based on documents, the communist terrorists had also been collecting tong [bribes] from some businessmen and other rich persons in the region.

Brig Gen Jose P. Magno Jr, commander of the Central Luzon Regional Unified Command, had earlier said that in Pampanga and Aurora provinces, the NPA collects weekly from various sectors of the community ranging from P2,000 to P5,000.

The general also briefed the mayors on the insurgency problem on the region.

Natividad said the fishpond owners are very vulnerable to terroristic tactics, implying that unless they are given enough protection, they would succumb to threats by subversive groups by giving in to their demands.

Natividad has set a conference with the fishpond owners and Bulacan PC authorities to discuss the present situation as well as find ways and means of protecting the fishpond owners.

Natividad stressed the need for protecting both the owners and the fishpond industry, saying that it is the only earning industry in Bulacan at present.

The industry is considered lucrative with triple returns from its investments.

But Col Cesar I. Alvarez, Bulacan PC commander, had earlier intimated that his command had laid out a security plan in the Bulacan foreshore area fronting Manila Bay where the fishponds are located.

The security plans were adopted following meetings with fishpond owners who have complained against harassment by armed men believed to be subversive terrorists.

Natividad also asked the PC to beef up the Malolos police force to enable it to cope with increasing insurgency problems.

Three local policemen had already been killed by rebels since last June.

Before the start of the seminar, Colonel Alvarez turned over the INP [Integrated National Police] flag to Gov Ignacio Santiago to symbolize the transfer of police operational control and supervision from the PC to local officials. Col Lorenzo Rapanan, PC-INP commander for Central Luzon, witnessed the ceremony.

CSO: 4200/72

PHILIPPINES

PAMPANGA 'SHAPING UP TO BE ANOTHER NEGROS'

HK150919 Manila BULLETIN TODAY in English 14 Oct 85 p 12

[Article by Jerry Lacuarta]

[Text] Angeles City--Pampanga, reportedly the country's second biggest sugar-producing province, is shaping up to be another Negros.

It was feared that unless the government acts immediately, what is happening in Negros Occidental might also become a painful reality in Pampanga.

This early, the Del Carmen Sugar Planters Cooperative Association, which claims membership of more than 500, has already advanced a notice "not to mill its harvest" at the National Sugar Development Co. (Nasudeco) in Floridablanca, Pampanga.

The association, it was gathered, has been producing some 350,000 metric tons of sugar every milling season.

About 35,00 sugar workers and their dependents and 700 mill employees would suffer social and economic dislocation once the closure of Nasudeco becomes a reality.

Julian Dycaico, the association president, said they reached the decision not to mill the sugar cane harvest in an emergency meeting over the weekend here.

Dycaico told newsmen that their sugar cane will be milled by Pampanga Sugar Development Co. (Pasudeco) in San Fernando, Pampanga, and by the Central Azucarera de Tarlac in Tarlac province.

The reason given by Dycaico for the association's decision to stop hauling the sugar cane to Nasudeco during the next milling season was the alleged refusal by the Philippine National Bank (PNB) to release fund for the continued operations of the sugar central.

Dycaico said that the association's members "could no longer afford to incur more losses. The high cost of money has aggravated the planters' problem," he said.

Nasudeco, one of the biggest sugar centrals in Central Luzon, has an outstanding loan amounting to P80 million with the PNB. It is one of six sugar centrals in the country which opted to close shop due to heavy losses.

CSO: 4200/90

PHILIPPINES

COCONUT EXPORT EARNINGS DECLINE

HK140304 Manila BUSINESS DAY in English 11 Oct 85 p 3

[Text] Export earnings from coconut products during the first nine months declined by 35 percent to \$402.47 million from \$619 million during the same period last year. Preliminary figures from the Philippine Coconut Authority (PCA) indicated that the total volume exported during the period reached 812,827 metric tons in copra terms, 6.3 percent below the previous year's record of 867,569 metric tons.

On a monthly basis, export earnings from coconut products in September increased by 15.2 percent from 42.70 million the year before to \$49.17 million. Total volume for the month was likewise 53 percent higher at 143,855 metric tons against 94,018 metric tons. The bigger volume of coconut oil exported contributed the bulk of the foreign exchange earned during the month. Only coconut oil and coconut shell charcoal posted gains in both volume and value in September.

Compared to August figures, September shipments of coconut oil, the industry's major dollar earner, chalked up sales of \$35.46 million reflecting a sharp increase of 63.2 percent from \$21.73 million; desicated coconut decreased 16.1 percent from \$8.48 million to \$7.12 million; copra meal went down 12.4 percent from \$2.89 million to \$2.53 million, coco shell charcoal rose 68 percent from \$196,000 to \$330,000; and activated carbon declined 85.6 percent from \$1.48 million to \$214,000.

CSO: 4200/72

4 November 1985

PHILIPPINES

BRIEFS

CHARGES FILED AGAINST MINDANAO CPP-NPA--One hundred forty-eight CPP [Communist Party of the Philippines]-NPA [New People's Army] cadres operating in Region 11 are now facing charges of rebellion. The charges were filed by the military before the [words indistinct] of Davao City. Jun Francisco reports: [Begin recording] In a report to Acting Armed Forces Chief of Staff Lieutenant General Fidel Ramos, Brigadier General Dionisio Tan-Gatue, Jr, PC-INP [Philippine Constabulary--Integrated National Police] Region 11 commanders, identified (in those cadres) Benjamin de Vera and 72 others who are all at large CPP-NPA [words indistinct] to the (commission) for Mindanao [words indistinct] and the 4 regional party committees in Region 11, and Wilfredo (Jemorada) and 74 others identified and at large CPP-NPA cadres operating with the 11th NPA Guerrilla Front committees throughout Region 11. [End recording] [Text] [Quezon City Maharlika Broadcasting System in English 1100 GMT 11 Oct 85 HK]

NPA 'SOPHISTICATED' METHODS--A ranking military official in Agusan del Norte says the NPA has resorted to sophisticated guerrilla operations. Colonel (Miguel Sel) of the 4th Infantry Division said NPA terrorists in Agusan now use remote-controlled landmines and other explosive devices to deter military movements or operations. The explosives, he said, usually took the form of plastic containers with commercial blasting caps, and a detonating cord is installed along possible routes of the military. Col (Sel) cited one incident in Butuan City, where the dissidents planted several landmines each weighing 2 kilos below a bridge in (Dumlao). [Text] [Quezon City Maharlika Broadcasting System in English 0800 GMT 13 Oct 85 HK]

NPA ASSASSINS BEING TRACKED DOWN--Philippine (Constabulary) soldiers are tracking down the NPA band which killed the assistant PC [Philippine Constabulary] provincial commander at Bohol and seven of his men. AFP [Armed Forces of the Philippines] Region 7 Commander Renato Ecarma [words indistinct] including the region's special action [word indistinct]. Killed in the NPA ambush in Valencia, Bohol, on Sunday morning were Major Richard Estrada, assistant station commander in Bohol, four PC soldiers, and three militiamen. They were traveling in a landrover vehicle when they were fired upon from both sides of the road. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Oct 85 HK]

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ARMY STEADFASTNESS AGAINST 'IDEOLOGUES'--The first lady and human settlements minister, Imelda Romualdez Marcos, yesterday [1 October] urged the military to remain steadfast against ideologues who seek to discredit the government. She made this call before over 500 officers and members of the University of the East Incorporated, whom President Marcos earlier inducted into office. She was accompanied by General Fabian Ver, armed forces chief of staff on leave, who is honorary chairperson of the University of the East Knights. She added that being in government, we not only offer our services and our life but our very honor and good name so that our country will prevail against those who seek to destroy the republic. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 11 Oct 85 HK]

FRG ASSURANCES OF CONTINUING AID--The Government of the Federal Republic of Germany will continue to assist the country's economic recovery program. This assurance was conveyed to President Marcos by visiting Foreign Minister for Economic Cooperation, Juergen Warnke, during his call on the president. The president conveyed to Mr Warnke the government's gratitude for the continuing support and cooperation being extended by his country in terms of development assistance and technology transfer. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 14 Oct 85 HK]

PRESIDENT CALLS FOR COOPERATION--President Marcos says his administration is committed to relieve the less fortunate and the poor of their burdens. Calling for the people's cooperation, the president said he invites everyone to cooperate, not with the administration of Marcos, but with the government of the people for our country. It is the duty of everybody to fight those who sow trouble in the country. The president said that by helping the government, one helps himself, his friends, his brothers, and the whole country, because subversives and terrorists do nothing but destroy and create trouble. As to the charges of dictatorship, the president said the constitution is for a strong president, not a dictator. The issue on the powers of the president, according to Mr Marcos, was raised even at the time of Quezon, when the 1935 constitution was established. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 14 Oct 85 HK]

MARCOS BOOK ON HISTORY OF UN--The president's latest book, titled "United Nations, 40 Years After," had just rolled off the press. The book deals with the achievements and progress of the UN since its founding in 1945. Copies of the book are being taken to the UN headquarters in New York by a Philippine delegation to the current General Assembly session. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 14 Oct 85 HK]

TROOPS, REBELS CLASH AT AIRSTRIP--Cagayan de Oro City--Government troops battled a group of communist rebels who tried to take over and mine an airstrip in Aspetia, Prosperidad, Agusan del Sur last Sunday. The rebels, according to reports reaching regional unified command Chief Brig Gen Madrino C. Munoz, were laying explosives at the airstrip when a platoon of soldiers from the Army 8th Infantry Battalion chanced upon them. After a brief battle, the rebels withdrew, leaving behind six pounds of ammonium nitrate, six electric blasting caps, trip wires, batteries and improvised blasting machines. The airstrip is being used by the Northeastern Agricultural Development

Corporation's light aircraft. The rebels had demanded money from the firm and threatened to destroy their plantation if they refused to pay up. Last year, the rebels burned down several machineries and buildings of the company after they refused to give in to the rebels demands. [Text] [Manila METRO MANILA TIMES in English 9 Oct 85 pp 1, 5 HK]

U.S. BASES AGREEMENT MEETING--A former vice-president, four Cabinet ministers, a jurist, a constitutionalist, a city mayor, an opposition leader, and academicians will discuss the issue of the Philippines-United States military bases agreement at a multi-sectoral colloquium on Thursday at the National Press Club. The colloquium, scheduled from 2 pm to 6 pm, at the NPC's [National Press Club] Bulwagang Plaridel [Plaridel Hall], will tackle all the various positions regarding the U.S. military bases in the Philippines in the light of the country's current difficulties. The panelists will include former Vice-President Emmanuel Pelaez, Defense Minister Jnan Ponce Enrile, Labor Minister Blas Ople, Trade and Industry deputy minister Renato Cayetano, MP Arturo M. Tolentino, former Supreme Court Justice J.B.L. Reyes, Unido [United Nationalist Democratic Organization] president Salvador Laurel, lawyer Haydee Yorac of the UP [University of the Philippines] Law Center, and Prof. Patricia Ann Paez of UP Manila, Olongapo Mayor Richard Gordon and Roberto Flores, president of the 22,000-strong Federation of Filipino Civilian Employees Association on the U.S. bases, are also expected to air their positions. [Text] [Manila BUSINESS DAY in English 14 Oct 85 p 10 HK]

AUTO ASSEMBLY SUSPENDED--Philippines Nissan Inc. (PNI) has temporarily suspended its operation because of a shortage in the supply of completely knocked down units (CKDS) and other spare parts industry sources said yesterday. PNI's inventory has dropped to only 40 CKD packs from its normal stock of 140-160 units a month. Company sources, however said, the plant will resume operations shortly with the arrival of some 160 CKD units at its Quezon City assembly plant. Japanese officials of the car firm said the shortage in the supply of CKDS was due to the difficulty faced by PNI in generating enough foreign exchange to finance its import requirements. They added that the export earnings of the company amounted to only \$400,000 last year. NISSAN Motor Corp. of Japan the official said, "have been very helpful to PNI since the economic crisis. The Japanese company extends a 130 day-suppliers credit to PNI. [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 14 Oct 85 p 8 HK]

AFP REFORMISTS AGAINST COUPS--The so-called reformist movement in the military has vowed that it will fight any unconstitutional attempts by either leftist or rightist quarters to seize state power. This according to Colonel Hernani Figueroa, spokesman of the movement, who aired this position in a speech during a luncheon meeting tendered by the Rotary Club of Quezon City. Figueroa said the movement follows a reformist position, taking the president's revolution from the center ideology as its guide in fighting for the survival and stability of the democratic system not for any vested interests harboring selfish ends. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 15 Oct 85 HK]

OPPOSITION PARTY DEADLINE--The majority party has given the opposition members of the Batasan until tomorrow to decide on the dominant opposition party which will be accredited by the Comelec [Commission on Elections]; otherwise the Batasan, which is now considering the amendment to the proposed election code, will retain the present provision with regard to the dominant opposition party. In the May 1984 elections, the dominant opposition party was chosen on the basis of the strength of the political party in their respective area. [as heard]. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 15 Oct 85 HK]

U.S. BASES EMPLOYEE BONUS--Filipino union officials described as congenitally deficient the 2,000-peso midyear bonus for each of more than 22,000 direct-hired Filipino civilian employees in U.S. military facilities in the country. The bases' union leader said they will request an increase to 5,000 pesos for the midyear bonus. The president of the Federation of Filipino Civilian Employees' Association Roberto Flores said he recently formed a research and study group to look into the complaints of [word indistinct] employees on the midyear bonuses. Based on their findings, Flores said the 2,000-peso midyear bonus received by each direct-hired employee since 1968 could buy more than the bonus given. [sentence as heard] Flores explained that the peso's current purchasing power has gone down to about 10 centavos compared to the 1972 level. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 15 Oct 85 HK]

MILITARY SCORES ARTICLE ON DAVAO--The armed Forces of the Philippines today scored ASIaweek magazine for publishing what the military called a misleading (public) photo and story of the insurgency situation in Davao City. This report from Jun Francisco: [Begin recording] In a letter to Michael O'Neill, editor-in-chief of ASIaweek magazine, Brigadier General Eduardo Ermita, commanding general of the Armed Forces Civil Relations Service, pointed out that the NPA men who appear on the cover photo of the September 13 issue of the magazine were actually insurgents who had surrendered and were not NPA guerrillas at all, as stated in the cover. Ermita said that the former NPA men featured in the cover photo are now residing inside the Regional Unified Command camp at (Panakan), Davao City, and they are helping the command in the counterinsurgency drive. To prove his point, Ermita furnished ASIaweek with three photos of the same group of detainees which [words indistinct] with the cover photo. The three photos were all taken inside the camp, Ermita said. He added that while it was probably intentioned [as heard] to give a much more balanced picture of the situation in Davao City, it is quite obvious that to justify the title, some incidents had to be portrayed in its gory [word indistinct] to capture the readers' attention. [Words indistinct] concerning the bias in the mind of the author of the article in favor of the communist terrorists. [end recording] [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Oct 85 HK]

SMUGGLING HANDGUNS TO JAPAN--Japan has denied that it detained two members of the Philippine Embassy in Tokyo who are suspected of smuggling in handguns from the Philippines. Cesar (Quiros) and Jesus (Nico Fuentes) were termed as having diplomatic immunity under the terms of Article 9 of the Vienna Convention on diplomatic relations. The two men returned hurriedly to the Philippines yesterday after refusing to be interrogated by Tokyo police about their involvement in the handgun smuggling deal. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 17 Oct 85 HK]

AGRICULTURAL ACCORD WITH EGYPT--The Philippines and Egypt today signed an agreement for an exchange of agricultural technology. Ramon (Baral) from the Ministry of Agriculture reports: The joint communique was signed by Orlando Sacay of the Ministry of Agriculture and Food, on behalf of the Philippines, and by (Rahman Hassan), undersecretary for [words indistinct] for Egypt. As agreed upon by a joint advisory committee, the Philippines will send to Egypt agricultural experts in [words indistinct] poultry-raising, and crop protection. The Egyptian experts will offer the Philippines their expertise in rice planting, [words indistinct], fisheries, and fruit farming. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 11 Oct 85 HK]

ARMY CLASHES WITH NPA IN CAGAYAN--According to military reports received recently, army troopers killed nine [as heard] NPA men during three [as heard] separate encounters in Alcala, Cagayan. General Manual Tribo, commander of the 1st Infantry Brigade of the (1st) Army Division said that a surprise attack by an army detachment in Barangay (Abariogonor) at Santo (Nino) resulted in the death of 5 rebels from a band of 150 men headed by rebel Commander Ernesto (Rasa). He said the 5-hour exchange of gunfire also wounded several NPA rebels. The army confiscated a grenade, flashlights, and various magazines and bullet (casings) for high-powered firearms. (Tribo) said more NPA men were wounded while fleeing towards the Cordillera mountains. In another encounter, troopers of the 2nd Ranger Company led by Captain (Raffy Paborsan) surprised an NPA camp at Barangay (Sitalaosan). After a 55-minute exchange of gunfire, 3 rebels were killed and 15 of their sympathizers and supporters were captured. The military suffered no casualties. They confiscated a shotgun, three pairs of combat boots, and personal belongings. [Text] [Dagupan City DZDL Radio in Tagalog 0445 GMT 14 Oct 85 HK]

OPPOSITION MP ON NEGROS UNREST--An oppositionist member of parliament has said that Negros Occidental is a social volcano in the Western Visayas which can explode at any time, should the people of Negros be confronted by government troops. This observation was made by Wilson Gamboa, opposition parliament member from Negros Occidental during a breakfast conference at the Manila Hotel. Gamboa said the people of his province are demanding justice for the Escalante massacre victims. Over 20 persons were killed by security forces at Escalante, Negros Occidental, last September 20. Gamboa said that, along with M.P. Rafael Palmares, he has visited Escalante to gather facts behind the massacre. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 14 Oct 85 HK]

BATASAN JENKINS BILL RESOLUTION--The Batasan Pambansa committee on trade opens deliberations at 2 pm today on a resolution urging the assembly to strongly oppose the Jenkins bill. The bill, passed by the U.S. house of representatives last week, would restrict garment and textile exporters from 12 countries including the Philippines. Seventy-two members of the Batasan filed the resolution opposing the Jenkins bill. They said the measure could result in an opportunity loss of \$426 million for the Philippine garment and textile exports and dislocate thousands of factory workers and subcontractors. The 72 lawmakers also said the Jenkins bill would undermine and subvert the existing bilateral textile agreement between the Philippines and the United States. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Oct 85 HK]

BULACAN FISHPOND PATROLS--Water patrols will soon be created in Bulacan's coastal towns. They will guard fishponds as well as residents from any abuses by the NPA. Some fishpond operators said the NPA demands from them amounts ranging from 16,000 to 100,000 pesos a month. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Oct 85 HK]

BATASAN COMMITTEE ON TAWI-TAWI RAID--The Batasan committee on rules is due to meet today to take up the Tawi-Tawi incident. The rules committee will assess the report on an incident in Tawi-Tawi where a group of armed men allegedly attacked a village on Maddanas Island. Assistant majority floor leader Arturo Pacificador earlier said the rules committee and not the Batasan floor is the proper venue in which to discuss the incident. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 16 Oct 85 HK]

GUNMEN WOUND MAYOR IN AMBUSH--The mayor of General Santos City survived an ambush by unknown gunmen yesterday [13 October] in the outskirts of the city. The mayor, Antonio Acharon, was wounded but his companion Kabataang Barangay [Community Youth] leader Richard Kabiling was killed. The two were aboard the mayor's car on their way from New Mabuyay town when they were ambushed. The motive for the attack was not known. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 13 Oct 85 HK]

CSO: 5600/4312

SINGAPORE

VOPM SAYS LE KUAN YEW BECOMING UNPOPULAR

BK191326 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT
16 Oct 85

["News Commentary": "Lee Kuan Yew Is Becoming Increasingly Unpopular"]

[Text] Following Singapore's general elections at the end of last year, the People's Action Party [PAP] government's policies have been receiving more public criticism and opposition, and from day to day Lee Kuan Yew has been growing increasingly unpopular.

In April of this year, the NEW STRAITS TIMES published a public opinion survey on the PAP government. The poll showed that most Singaporeans do not want Lee Kuan Yew to run in the next general election, which is predicted to be held in 1988. According to the survey, the majority of Singapore's people do not want any more changes in the one-person-one-vote election system.

After the general election at the end of last year, Lee Kuan Yew announced that he wants to revise Singapore's one-person-one-vote system. In that general election, two opposition members were elected to Parliament, while PAP'S total number of votes decreased drastically. The survey also showed that, from day to day, the people of Singapore are growing less satisfied with some PAP policies. Most people think that it is important to have opposition parties in Parliament because they can check on the PAP government. The survey quoted [words indistinct] as saying that Lee Kuan Yew and his like are becoming more arrogant and demanding too much from the people. They believe themselves always right and the people wrong. They are very cruel. All this goes on while Lee Kuan Yew highly regards the elite class--only because he considers them responsible for the success of Singapore's development and the relative prosperity of Singapore's economy--but ignores the wide circle of workers who used to contribute much by slaving for the government. In the last 1 or 2 years, Lee Kuan Yew has gone too far. He has considered himself the rescuer of this people and regarded them as helpless objects. In his speeches he has often said that without his presence [words indistinct] Singapore will never be able to continue to [word indistinct], and the people will be devastated.

The decrease in votes received in the general election at the end of last year was the Singaporeans' reply to his arrogant speeches. Meanwhile, the newspaper's public opinion survey also showed that nobody pays any attention to Lee Kuan Yew's nonsensical speeches. The people of Singapore pay less and less attention to him as the days pass by. Regarding the Singapore people's wish for Lee Kuan Yew to step down as indicated by the public opinion survey conducted by the NEW STRAITS TIMES, a local newspaper quoted a political analyst as saying that, in the last few years, not many people have dared make such a suggestion. This signifies that Lee Kuan Yew has had authority over some people, but he is now obviously losing it. Political observers also think that Lee Kuan Yew's position in the PAP and the government has changed somewhat. The First Deputy Prime Minister and concurrently Defense Minister, Goh Chok Tong, once said that Lee Kuan Yew is no longer their teacher. In an interview with a newspaper reporter in April of this year, he said that prior to the general election the teacher-student relationship that he and some others had had with Lee Kuan Yew changed to a normal relationship among equals. Now we no longer regard ourselves as students.

In May of this year, the public learned about Singapore Education Minister Tony Tan's announcement ending the school admission policy giving priority to the children of graduate women. This policy was one of Lee Kuan Yew's steps to force the implementation of an elitist theory. The people of Singapore generally opposed this policy. In fact, foreigners expressed their disapproval of the policy. The public considered the abandonment of the policy as a slap to Lee Kuan Yew, the advocate of the elitist theory that had been discarded. It was reported that Tony Tan's announcement terminating the policy was received with warm applause in Parliament. Clearly most PAP MP'S did not support or accept the policy. It was only through fear of Lee Kuan Yew's authoritarian ways that they had forced themselves to agree to the policy, swallowing their own anger and dissatisfaction.

In his 1 May labor day message this year, Lee Kuan Yew was initially, ready to put forward an important proposal on salary increase for laborers. Due to his experience of protests from some workers however his decision was suspended and not announced. Here, then, is something that no words can describe--such a thing happening to Lee Kuan Yew, the almighty person in Singapore.

Lee Kuan Yew also lost face following the expulsion of Devan Nair, the third president of Singapore, for his bad conduct when he was drunk. In the past, for the sake of his government's interests, Lee Kuan Yew praised Devan Nair to the skies as the best-mannered person and the one most elig'ble for the post of president of Singapore and so on and so forth.

Nonetheless, who would have known that Lee Kuan Yew himself would condemn him for being dishonest and keeping the secret of his alcoholism for so long. Thus, it was not surprising that many Singaporeans preferred not to know the circumstances of Devan Nair's resignation as president for health reasons.

Despite the people's call for his resignation, Lee Kuan Yew says that he will not leave the political arena even if he has to resign as prime minister when he reaches the age of 65 in 1988. Lee Kuan Yew does not deny that he may become the first directly elected president, with veto power over the Foreign Exchange Reserve and monetary affairs. At present, the Singapore president assumes only a ceremonial role as head of state and lacks any real power. Under his plan, Lee Kuan Yew wants to establish the Lee dynasty. The father will become president, while the son will become prime minister. How smart the pair will be! Needless to say, with severe criticism from public opinion at home and abroad of Deputy Prime Minister Goh Chok Tong's action, he will never agree to this arrangement. There have been rumors that Goh Chok Tong is merely temporarily minding and preparing the prime ministership for Lee Hsien Loong.

What is Goh Chok Tong's opinion? A journalist of [words indistinct] has interviewed him and said that the No 2 man in Singapore is not afraid of competition. He said that Goh Chok Tong is not worried about the rumors at all. The journalist quoted Goh Chok Tong as saying that [passage indistinct]. The journalist wrote that Goh Chok Tong, who smiled at the beginning, gradually becomes serious. Goh Chok Tong said: Should the prime minister tell me that he wanted his son to inherit his post, I would not support him. The prime minister cannot make a decision unilaterally, bypassing the present generation of ministers.

The people have learned that Goh Chok Tong announced at the end of August of this year the establishment of a cabinet-level economic committee to resolve Singapore's economic problems. Lee Hsien Loong is on the committee as well as Goh Chok Tong, Ong Teng Cheong, Dhanabalan, Tony Tan, and others. Goh Chok Tong's action is comparable to switching on the lights in the daytime because the authorities had previously established an economic committee under the Ministry of Trade and Industry with Lee Hsien Loong at its helm to review Singapore's economic policy and lay down a new policy to resolve Singapore's economic problems. Is Goh Chok Tong deliberately trying to erode Lee Hsien Loong's authority or does he have other intentions? In fact, Lee Hsien Loong's ability and influence cannot be ignored, considering that he is able to serve in a cabinet-level economic committee with his position as a parliamentary secretary. It seems that a power struggle among the second-generation PAP leaders is inevitable. Consequently, Lee Kuan Yew's plan will not definitely be achieved. Newspapers controlled by the foreign monopoly capitalists have been strongly praising Lee Kuan Yew's services and propagating the tale that Singapore would not exist without Lee Kuan Yew. Is this true? Singapore's present political reality has given a good answer.

THAILAND

COMMENTARIES CONTINUE TO ACCUSE U.S. OF PROTECTIONISM

Columnist Urges Retaliation

Bangkok THAI RAT in Thai 19 Aug 85 p 5

[He Ha column by Sum: "The Face of a 'False Friend'"]

[Excerpt] Based on the initial contents of the Jenkins Bill, the quota on Thai textiles will be cut almost 65 percent, which means that we will lose about 5 billion baht in revenues from exporting textiles to the United States. Normally, we export about 8 billion baht worth of textiles to the United States each year. This will decline to only 3 billion baht worth of textiles. Five billion baht is not a small sum for a poor country like Thailand.

What will happen as a result of this is that many factories will have to close, and approximately 100,000 people will lose their jobs. As I wrote once before, tens of thousands of female factory workers will lose their jobs, and this will affect their parents and the economy of the country in general.

Even though today's figures make it seem as if we are exporting huge quantities of textiles to the United States, Thai textiles account for only 2 percent of the U.S. clothing market. This is not the reason why U.S. producers are experiencing difficulties, with 300,000 people out of work, as Mr Jenkins claims.

If this bill can make exceptions for Europe and Canada, why can't it make an exception for Thailand? We are close friends and have had good relations for many years. I don't know why they have to step on a friend in an attempt to save themselves when this friend does not export such large quantities of textiles that this would create problems for the United States.

Several readers have written to me saying that they would like to see a picture of Mr Ed Jenkins, a senator from Georgia and the man who proposed this bill. I took the opportunity to cut his picture out of a foreign newspaper so that readers can see what he looks like.

NEWSWEEK recently reported that Mr Jenkins has become very unpopular in Asia during the past 2-3 months. Unfortunately, most U.S. congressmen seem to support him. Recent polls show that he may well have more than enough votes to

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pass his bill and override a presidential veto. However, there is still hope since this bill must still be sent through subcommittee, similar to our amending motions.

A person knowledgeable about this said that if we lobby well, things may turn out all right. As for how much hope there is, I would like to see us make plans in advance. Since talking nice to them hasn't had any effect, we should retaliate, exacting an "eye for an eye and a tooth for a tooth." That is, we should stop purchasing American goods. As one reader wrote to me, while we are a very small country, we have many friends in this region. If all the little countries join together, they can topple a giant. Don't underestimate us.

Editorial on Jenkins Bill in Congress

Bangkok THAI RAT in Thai 21 Aug 85 p 3

[Editorial: "The United States Is Not an Isolated Country"]

[Text] The reaction on the part of workers and students in Thailand and other countries that are allies of the United States to the bill controlling textile imports, or the Jenkins Bill, which will be submitted to the U.S. House of Representatives in September, has probably made things clear to the U.S. congressional delegations that have visited the Far East recently. The reaction of the people shows how the allies of the United States feel about the United States taking an isolationist position.

If this bill is passed, it will affect the textile exports of several countries. This is a struggle to get the United States to show sympathy and give some attention to the desires of the developing countries such as Thailand and other countries in Asia. We want the United States, which is a wealthy country, to think hard about the fact that if it passes laws that have too adverse an effect on other countries, in the end, the United States will find itself isolated. It will not have any real friends. Because when it experienced problems, it acted very selfishly.

Setting quotas on various types of imports is making things very difficult for the small countries. If another such protectionist law is passed, it means that an economic and military giant such as the United States is trying to squeeze us to death. If the United States ignores its obligations to the smaller countries, the United States will experience difficulties later on. Since the world has become smaller and we must all rely on each other, it is essential that the big and small countries get along with each other.

We feel that the visit by the U.S. congressmen will help them to understand the problems confronting Thailand and other Asian countries and make them realize that the developing countries are not asking for too much. Rather, the developed countries must see the necessity of cooperating in both normal times and times of crisis. At present, the world is engaged in a Cold War. If the United States causes resentment among those countries that still consider the United States the leader of the Free World, this will give the other side a chance to replace the United States. In the end, the United States will lose influence in the Free World community.

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We want all sides to treat each other fairly. In particular, quotas should be set based on the principle of mutual dependence. Also, the United States should look at this problem from a long-term standpoint to see what the results of controlling textile imports will be. One result could be the destruction of the small countries. And the final result will be that the United States will be isolated. It will not have any allies.

Jenkins Bill Blamed for Unemployment Rise

Bangkok THAI RAT in Thai 4 Aug 83 p 3

[Thailand Today column by Sunthon Wathi: "Two Million Thais Unemployed, 10 Million Underemployed: Is Everything Still All Right With the Government?"]

[Text] Next year, unemployment will rise to 2 million. That is the prediction made by Mr Chamnan Photchana, the director-general of the Department of Labor. Because today, there are already 1.7 million people unemployed in Thailand. Next year, another 700,000-800,000 people will graduate from school or become old enough to enter the labor force. But there will be only 600,000-700,000 jobs for them. Thus, the number of unemployed will rise to 2 million next year.

This does not include the people who have jobs but who are underemployed, who are working fulltime but in jobs outside their field of study or who are working in their field but for low wages. Scholars refer to such people as "underutilized workers." It is not known how many such people there are.

Yuphin Rotpong reported in a article in SETTHAKIT LAE SANGKHOM, the journal of the National Economic and Social Development Board, that in 1977, the number of underutilized people was 7.2 million people. Over the next 4 years, this declined to 4.6 million people. But the number shot up to 10.8 million in 1982. And in 1983 the number reached 11.2 million. Also, this does not include the large number of "seasonally unemployed." This group includes farmers, most of whom have only a primary education or less.

The statistics show that there were approximately 4 million seasonally unemployed in 1977. This rose to 5.5 million in 1982. It isn't known how high the figure will go this year.

Farmers are employed only seasonally because farming is not a year-round job. Each year, they work only a few months. When their work in the fields is complete, they become unemployed.

What is the cause of seasonal unemployment? Watchari Sinthuanit and Pianat Thamsaen, writing in the same issue of SETTHAKIT LAE SANGKHOM, said that there are five main causes of seasonal unemployment:

1. Cultivation is possible during certain seasons only since irrigation projects are not widespread in our country.

2. Recently, farmers have not been content to stay at home, go into the jungle to obtain items of use or fish in the ponds during the periods in which there is no farm work to do.

3. Our economy in other sectors, such as the industrial sector, has not expanded sufficiently to provide jobs for the increased number of laborers. Thus, people remain stuck in the fields, seasonally unemployed.

4. Technology has not advanced. There has not been sufficient use of new technology in the agricultural sector (this has not been in keeping with the intentions of Minister Damrong Latthaphiphat). We have very few agricultural zones that can be called "progressive." About 80 percent of our agricultural zones are "backward" since they can grow only one crop a year.

5. The price of agricultural products is uncertain. Prices fluctuate widely depending on the weather, or the "gods." When rains are good and yields are high, prices are low. In years of drought when yields are low, prices are high. But now people frequently cite a new factor. If the prices of agricultural products are high or low, people cite the "world market situation."

All these factors contribute to unemployment among farmers even though they have to work very hard to produce enough food to feed the people of the country.

There is also another type of unemployment. People in this category are referred to as "unemployed graduates." Today, there are about 120,000 people in this category. It is thought that the number will skyrocket to 300,000 in the next few years. The people in the category include people with secondary educations on up. It includes those with vocational certificates and those with university degrees. This will become more and more of a problem for the government as time goes on.

The government has no way to solve the unemployment problem. More and more Thais will join the ranks of the unemployed. In the past 8 months, 20,000 people have been laid off. Some have been textile workers and workers in the ready-made clothing industry, who are referred to collectively as "chanthana."

If the U.S. Congress passes the Jenkins Bill this September and cuts the quota on Thai textile imports, many more "chanthana" will lose their jobs. Unlike in the past, people can no longer depend on entering the bureaucracy since the government, too, must tighten its belt. This is evident from next year's expenditure budget. It increased very little. Government units have been ordered to control their growth. Hiring of new personnel has been limited to just 2 percent. Thus, it is no surprise that when a government unit accepts applications for 100 positions, there are 10,000 applicants. Those of you in the government, are you happy with this state of affairs?

Editorial Blames U.S Protectionism for Unemployment

Bangkok THAI RAT in Thai 5 Aug 85 p 3

[Editorial: "Workers Have Been Set Adrift"]

[Text] The economic recession both here and abroad has had a serious effect on business, particularly industry. And the people who have been affected the most are the workers.

The National Statistical Office has revealed that during the period October 1984 to May 1985, 20,000 industrial workers in Bangkok Metropolitan and the surrounding provinces lost their jobs. And the number would be much higher if we included those in small businesses and other types of activities, such as service activities, and those in provinces not yet surveyed. Also, if we consider the families of those who have been laid off, it can be seen that the number affected is very large.

Moreover, the economic situation is getting worse. In particular, protectionism is growing stronger in various countries. For example, the United States is debating passing a law that will limit the import of textiles and ready-made clothing. If this passes, our workers will be seriously affected once again. To date, 25 of the 40 spinning and textile plants in Thailand have had to close as a result of the devaluation of the baht at the end of 1984.

The director-general of the Department of Labor revealed that in 1986, unemployment may reach 2 million people. At present, there are 1.7 million people unemployed. Among these are those who have been laid off. The unemployment problem is growing worse. This is a challenge to the government's ability to solve this problem.

The problem that is in urgent need of attention is the matter of people being laid off from work. To date, the government has done nothing to help solve this problem. The only thing that it has done is to offer soothing words of comfort on television, saying that the economy will improve.

But since the statistics provided by the National Statistical Office, which is a state unit, are so clear, the government should be taking swift action to find a way to solve this problem. Since producers are all facing an economic recession, what they have to do to survive is to reduce production costs. And one way to lower production costs is to lay off workers.

For this reason, the government, which is responsible for looking after and protecting the people of the country, should look for ways to help the workers. At the same time, consideration must be given to what can be done to ensure the survival of the producers and prevent workers from being laid off so that they have money to support themselves and their families. Unemployment will just lead to more problems. We hope that the government takes urgent action on this instead of remaining indifferent as is the case today.

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CSO: 4207/312

THAILAND

CHANTHABURI-TRAT OFFICIAL ON ANTI-SRV DEFENSE MOVES

BK110902 Bangkok Domestic Service in Thai 0530 GMT 1 Oct 85

[Interview granted by the new commander of the Chanthaburi-Trat Border Defense Force, Rear Admiral Kasem Mekloi, to unidentified correspondent -- date and place not given; recorded]

[Text] [Kasem] I will never allow the opposite side to take our territory. That is my policy.

[Correspondent] What is the current situation at the Thai-Cambodian border? Can you give any assurances to the general public?

[Kasem] It seems that the Vietnam-Heng Samrin forces in Battambang Province plan to mop up DK resistance groups at the border area opposite Pong Nam Ron District in Chanthaburi Province when the rainy season ends, in October this year. Anyway, the situation should not be as violent as the offensives launched early in the year.

[Correspondent] We would like to know to what extent the Chanthaburi-Trat force is prepared for defense as there have been reports about preparations made by Vietnam to launch new offensives to wipe out the forces of the tripartite Khmer government in the coming dry season?

[Kasem] We are not overconfident and have already taken measures to enhance our border defense readiness. We have improved our manpower both in number and in quality to be able to cope with any contingency. We have ground, sea, and air strength which are ready to go into action in retaliation against any violators of our national sovereignty. If the situation requires greater strength, we will get reinforcements from the marine force. The Chanthaburi-Trat Force is confident of its capability in defending the border areas in Chanthaburi and Trat provinces.

CSO: 4207/27

THAILAND

SECURITY REPORT ON 1946-GENERATION SRV REFUGEES

BK110935 Bangkok MATICHON in Thai 11 Oct 85 pp 1, 12

[Text] A source at the Internal Security Operations Command [ISOC] told MATICHON that out of the 70,000 Vietnamese refugees who arrived in Thailand after the Dien Bien Phu war in 1946, only 30,000 were repatriated under the agreement reached between Vietnam and the Thai Red Cross Society. The other 40,000 remain in Thailand following the suspension of the repatriation when the new government in Vietnam -- which has a political system different from Thailand -- refused to take them back.

Those Vietnamese refugees live in designated areas in certain provinces. There are about 9,600 of them in Nong Khai Province, 5,800 in Nakhon Phanom Province, 4,300 in Ubon Ratchathani Province, 7,800 in Udon Thani Province, 5,500 in Sakon Nakhon Province, 4,900 in Mukdahan Province, 480 in Yasothon Province, 1,300 in Prachin Buri Province, 280 in Surat Thani Province, and 270 in Phatthalung Province.

Although they can mix with the Thai people, the refugees are given designated areas to live in and are under control of the authorities. The Thai government authorities regularly survey the living conditions and line of thinking of these people. According to a recent survey, 4,000 of the Vietnamese refugees are pro-Vietnamese government whereas about 8,000 are pro-Thai government. The rest, about 30,000 of the 40,000, or some 70 percent, are neutral.

As for the pro-Vietnamese refugees, the authorities have their personal records on file and they are subject to close surveillance. If they are found to violate refugee regulations, they are subject to punishment, ranging from confinement to deportation.

CSO: 4207/27

THAILAND

THOETPHUM CHAIDI ON LABOR, LEFT-WING RELATIONS

Bangkok WIWAT in Thai 17-23 Sep 85 pp 30-35

[Interview with Thoetphum Chaidi, a former labor leader; date and place not specified]

[Text] Both before and after the events of 14 October, Thoetphum Chaidi was one of the very well known labor leaders. His role was not limited just to labor circles. It can be said that he played a role even in intellectual circles. He was an activist who went and joined the Communist Party of Thailand. But in the end, like many others, he split away from the party. Recently, in an interview given to ATHIT-WIWAT following the dismissal of State Railway of Thailand labor leaders, Gen Thienchai Sirisamphan, the deputy RTA CINC, said that Thoetphum Chaidi is still in contact with the communists. Because of that statement, the next week, he came to the office of ATHIT-WIWAT to explain things and granted an interview to ATHIT-WIWAT.

[Question] Are you still interested in labor affairs?

[Answer] I have a special interest in labor affairs and in the activities of the laborers. I have faith in the strength of the laborers. Wherever there are activities.... If I hear about or learn about a movement, I follow what happens. I used to work with Mr Sawat Amatyakun and Mr Phaisan Thawatchainan. We were friends and used to consult each other. Mr Ahmat and I have recently become very close friends. He has many problems, including problems with the Labor Council and the State Railway of Thailand. He feels that I have much experience and so he has given me a chance to participate. I talk with him frequently. I am close to him. As you know, he wanted to split away from Achan Prasoet.

[Question] You don't have any disagreements with Mr Ahmat, is that right?

[Answer] We disagree on some things. But we have found points of agreement. While we do not agree on everything, it's not correct to say that we have conflicts. We agree on many things. Recently, there have been many changes. He has clearly split away from Prasoet Sapsunthon. He feels that the path taken

by Prasoet is a deadend and that his image has deteriorated. The fact that he has split away from Prasoet shows that he has begun to develop his own ideas. The strength of the laborers has increased. He has not relied on the power of the state apparatus. This led to conflicts with Prasoet, who criticized him. We have recently become quite close and consulted with each other.

[Question] Is this why people have charged that this group is a communist group?

[Answer] Yes. Many people may think this since so many laborers are active now. Something that laborers must accept is that if they are not leftists, they are not laborers. They are on opposite sides of the financiers and administrators. If they are not leftists, they are not laborers or real labor leaders. But being a leftist does not mean that you are a communist. But our ideas are opposed to theirs. How could we agree with them? In other countries, there are large numbers of laborers. They do not agree with the policies of the government. They disagree with the administrators. Ahmat and Sawat do not agree with the administrators. But you can't accuse them of being communists. The State Railway of Thailand is operating at a loss. Whom should we blame? We can't blame the people or the railway officials. We have to blame the administrators. They are responsible for managing things, right?

[Question] What does Gen Thienchai Sirisamphan have to say about this problem?

[Answer] I don't know what the objective or goal of Gen Thienchai is. I say that because he may have access to certain data. But I think that he has made a mistake. Or it may be his advisors. He has to have advisors, right? He was very confident about what he said. But I talked with several of my friends. We do not feel that what he said is correct. I have talked with senior people and asked them why the military views laborers and those who have left the jungle like this. I have clearly stated that I will have nothing more to do with the communists, politically or organizationally. But I have many friends. You can't forbid me from having friends. That would be a violation of my rights and freedoms. We can't allow that. And what they do is their affair, not mine. We may disagree on certain things. They may hold views just the opposite of mine. But they are still my friends. We have to be very broadminded about people's ideas. Otherwise, there would be conflicts all the time and we would never have any friends.

[Question] Do you think that Gen Thienchai spoke based on government data?

[Answer] I don't know. But from what I have seen, there has recently been a great change in the military. Many senior military officers have high political ideas. They now have a much better understanding of democracy. Unlike before, they no longer give the red light whenever they see something going on. Those whom I know and whom I follow in the newspapers have changed. Gen Han Linanon, for example, is acting in a democratic way. He is planning to run for office. Gen Mana Rattanakoset has expressed his intention of running for governor of Bangkok Metropolitan. This shows that soldiers are beginning to take a greater interest in democratic politics. Instead of thinking about staging a coup and seizing state power, their idea is, "we have retired from the military and so let's turn to politics." They are joining with others to

wage a democratic struggle. Even Gen Thienchai has said that he intends to run for a seat in the House of Representatives. And then he said that. If he has such information, I don't think that he should have spoken like that. That is harmful.

[Question] Are you still playing an active role in labor circles?

[Answer] Yes. But I am not participating in any movement.

[Question] Can you tell you what the activity line is?

[Answer] I have confidence in the labor forces. In a democratic system, laborers are an important force. Democracy is expressed in the labor forces, particularly the labor unions. And at a different level, these forces will develop into a political party. Thus, in a truly democratic country, there will be two parties. In a capitalist country, there will be a labor party and a conservative party, or party of the capitalists. Australia, New Zealand, Sweden, France and England all have just two parties.

[Question] Then you feel that a labor force can be created in this way, is that right?

[Answer] Yes. But things must proceed in stages. I disagree with Achan Prasert on certain things because he wants to do certain things before the proper time. For example, he wants to establish a labor party now. But this is not the right time for that. Using the future to stipulate the present leads to mistakes. Take the Democratic Labor Party, for example. This must proceed in stages.

[Question] The labor unions must be developed into a labor party, is that right?

[Answer] When he stipulates things like this, there are only a few leaders who understand politics. And so the political activities lack certain stages. There are many gaps. Mostly, laborers demand higher wages and better benefits. At the same time, all he talks about is politics and the problems of the country and about how solving the labor problem is a political matter. People don't understand that. There must be a struggle. I definitely agree that there will be a labor party in the future. As Thailand develops into a capitalist country, such a party will definitely come into being. That is inevitable. The laborers will be an important force and provide support.

[Question] Recently, Mr Sawat and Mr Ahmat have opposed the view of using the future to stipulate the present.

[Answer] That's right. They do not agree with this. They have carried on activities and learned lessons. They have learned that they cannot carry on activities using Prasert's path. He seems to be isolated now.

[Question] Some people say that the dispute between Mr Sawat and Mr Ahmat and Achan Prasoeet is a play just as in 1975 when Mr Kosum Klonket split away from Mr Ahmat and joined forces with Mr Arom Phongphangan. They say that this is just an act. As a person who knows these people, what is your view?

[Answer] I think it depends on the situation. But as a person who is close to both Sawat and Ahmat, I think that the conflict with Achan Prasoeet is real. They have issued statements attacking each other. Mr Prasoeet announced that they were being removed from the organization (laughs), or that they could no longer remain in the organization. And they were no longer willing to remain in the organization. This shows that they are at odds.

[Question] But recently, it seems that Mr Wanchai Phrompha, who once took a hard line against Mr Ahmat, has softened his position. And there are reports that Mr Ahmat has talked with Achan Prasoeet. Do you know anything about this?

[Answer] No, I don't. But if Mr Ahmat has done that, he stands to lose a great deal. I have followed the situation. The laborers, or railway employees, supported Mr Ahmat this time. They think that Mr Ahmat has split away from Achan Prasoeet. If Mr Ahmat sides with Achan Prasoeet again, the laborers will not permit Mr Ahmat to be their leader again. That is what I think.

[Question] Does that mean that the labor forces oppose Achan Prasoeet?

[Answer] They no longer accept him. Put simply, if someone says that he believes Achan Prasoeet, no one wants to have anything to do with that person (laughs).

[Question] As for the forces still loyal to Achan Prasoeet, what are his main forces?

[Answer] He doesn't have any. He has only a few supporters among the railway workers. In railway society, those who are followers of Achan Prasoeet are outcasts. They are isolated. Most railway workers refuse to have anything to do with them. Mr Ahmat expressed himself quite clearly. He acted like a railway leader. That is, he refused to bow down to the administrators. I supported him and participated in the deliberations on this matter. I think that Mr Ahmat acted properly. He fought. If he had not fought, he would have lost his reputation as a labor leader. I firmly believe that what happened with the railway workers will happen with others. The administrators will not stop. Those at the Bangkok Mass Transit Authority, Water Works and Electricity Generating Authority will do the same thing. This will serve as an example.

[Question] Is the National Labor Council, with Mr Wit Borisutthikun, the main force of Achan Prasoeet? He is giving it his full support.

[Answer] I have nothing against Achan Prasoeet personally. It's just that his ideas have never achieved anything. People are still being misled by him. I have talked with him. People say that he is strong on theory. But actually, he is very weak on theory. His theories are all out of date. He once told me that the revolution had already occurred. He said that the fierce struggle was a struggle within the communist party. He said that this was a struggle between

the Bolsheviks and the Mensheviks. We have to be the Bolsheviks; the other side has to be the Mensheviks. And so he organized a 5th Plenum. That is how he summarized things even though he said that he was a traitor and even though Mr Thongpak Phiengkhet, who is said to be close to the communist party, is no longer close to the party. He has split away from the party and returned. I don't see any internal struggle. There would be grounds for thinking this if there was a struggle between people at the level of Thong Chaemdi, Prasit Taphienthong and Wirat Angkhathawon. But that is his summary of things. In the past, he founded a workers party, or labor party. I said that he uses the future to stipulate the present. He was too hasty when he said that the revolution has come. What has happened to his labor party? Even laborers have not voted for members of the party. Think about this. It's like his 5th Plenum. Few joined him.

[Question] What about the National Labor Council?

[Answer] The same thing is true. He just formed an image. He thought that the laborers were fighting among themselves. There was the struggle between the Labor Federation and the Labor Council. There were conflicts. And so he thought that he could unite all laborers in this new council. He hoped to unite all laborers. During the events of 1 May, he sent a letter inviting people to attend a meeting. At the meeting, people signed their names and so he announced that a congress had been held. Some laborers knew nothing about this, and yet he announced that he had the support of many laborers. In short, he just created an image.

[Question] Which labor group has a line that you find interesting?

[Answer] Today, the laborers are engaged in an economic and ideological struggle. The laborers are engaged in a great struggle. People are trying to reconcile their differences. For example, Mr Sawat and Mr Ahmat are trying to reach an understanding. As I said above, they have split away from Achan Prasoet. Mr Phaisan Thawatchainan is trying to reach an understanding with them. The reason for this trend is that everyone has learned things from the past struggle. They have gained experience from the economic struggle. We know that capital is superior to labor, right? An ideological struggle is a common thing. During the time that I was involved, the situation was ever more serious. The question is, how much understanding do the leaders have and for whom are they working? Of course, some people feel that the labor leaders are working for themselves. But who is profiting? For whom are we working? Are we working for ourselves? The masses, or laborers, will see what is happening. I frequently ask laborers about this. Labor leaders are being very vague with them. This may be because the situation does not enable them to stipulate a leadership or struggle line or make statements to clarify things for the laborers. There are many things that need to be done in order to get the administrators or capitalists to act properly. For example, many have failed to obey the labor laws. The director-general of the Department of Labor has said that many times. When Mr Wichit Saengthong was the director-general, he said that half of the employers are not obeying the labor laws. He said that, right? Director-General Chamnan Photchana said that many employers, or capitalists, are violating the labor laws. I do not think that it is the duty of the laborers to take action on this. It has to be the leaders, right? We

don't want to destroy the capitalists. But we must take action in order to get both sides to obey the laws. When the capitalists start acting properly, exploitation of the laborers will decline. When this happens, the laborers will feel that their leaders are moving in the right direction and that they have fought for and helped them.

[Question] Do you think that the views of the security sector on the labor movement have changed? What is the situation like now?

[Answer] In my view, there are still some laborers who lack a true labor viewpoint. These people side with the powerholders and state apparatus. They have become very close to the powerholders. They provide them with information. They do not stand on the side of the laborers. They do not act like laborers. The officials have to give attention to this information.

[Question] Do you mean that the officials still want to use laborers as a tool?

[Answer] Yes, they do. I think this must be an independent organization.

[Question] Have they changed in any way?

[Answer] Some have. But others are still the same. Take the railway matter, for example. It is clear that certain laborers who were leaders during the events of 14 October are playing games with other labor leaders. This is what things are like in the State Railway today.

[Question] Can you tell us who?

[Answer] I would rather not mention any names. People probably know whom I mean. They are advisors to Gen Thienchai.

[Question] This group just wants to destroy things, is that right?

[Answer] That's correct. Even Mr Ahmat, who has shifted to provide a foundation for laborers, will be destroyed.

[Question] There are those who say that Mr Ahmat is really tied to certain power groups and that the other faction, who are not members of Mr Ahmat's group, are dependent on another power group.

[Answer] People have said many things. But I think that we have to give him a chance. He has to be aware of the laborers. This is what I am doing. Everyone comes from a different position and has different knowledge. We want him to know what his responsibilities are. He must fight for the laborers. This is what I am doing. In the past, many people were in contact with each other. I think that this is normal. He may not know. Or he may know but not have said anything yet. It's my duty to explain the duties of the leaders who are responsible for the laborers. If you are a labor leader, you have to get involved with government officials. Not all officials are bad. Most are good people. I am talking about those who want to destroy the laborers. Regardless

of whom they side with, they won't be able to survive. The laborers will know what is going on. It would be nice if they changed. We can't side with them.

[Question] Do you think that the role played by Mr Ahmat has changed? Do you think that he will be able to erase the negative effects of past actions? Will he be able to regain people's confidence?

[Answer] I think that that is up to Mr Ahmat. As I said a moment ago, Mr Ahmat may have gone to see Prasoet again. If he has, I think that will be the end of him. But Mr Ahmat has said that this is an independent struggle. He said that he is fighting for the labor movement. And so the laborers have supported him. They supported him this time because they felt that he was fighting for independence. He is struggling against the railway officials who have acted improperly. Thus, they have given him their support. If Prasoet becomes involved, the laborers will not take part. Who would dare participate. No one knows what Prasoet will do. He might issue another statement. He might issue a statement in the name of Mr Ahmat. This might not be in line with the desires of the laborers. It might be the desire of those in the background or of Mr Prasoet. If Mr Ahmat follows that old path, he will be finished.

[Question] Comparing the situation today with that in the past, it seems that the labor movement has grown much weaker. What is your view on this? How long do you think it will be before the labor movement is as strong as or stronger than before?

[Answer] The movement has declined in strength, but it still has life. And it will definitely revive. In the present situation, we can see that it has faltered. This is a phase in the ideological struggle of the laborers. This is a period of decline, but the movement is not dead. When looking at the laborers, we have to look at the factors, too. The situation in the past was very different.

[Question] Has power now shifted to another group?

[Answer] The two main groups today are the labor federation and council. I am an ideological fighter. The laborers must be the ones to decide who should be their leaders. They are the ones who must choose between these two people and between these two organizations. If one of them does not have the interests of the laborers at heart, that person will fail. In a democracy, there must be two councils. There can't be just one. But which one will be the real leader of the laborers who fights for the interests of the laborers? Both sides claim that. We will have to see.

[Question] In your view, which of these councils is the real leader of the laborers?

[Answer] I have talked to laborers about this. They still have their doubts. They still have doubts about both Mr Phaisan and Mr Ahmat since these two have weaknesses. Both of these men are sincere and both have good intentions. But their weakness is that they go abroad too often. When I was a labor leader, I never went abroad. I received many invitations. I let others go in my place. It didn't have to be me. Others could go. Why did it always have to be me?

People near me saw that I was making sacrifices. They saw that I was sincere, honest and dedicated. When they invited me, I said that they couldn't keep asking me and that they had to ask someone else. I refused to go. I told them that they had to find someone to go instead. When friends and others close to me saw me do this, they frequently expressed surprise. I wasn't working for myself. When you go abroad, do you know how well you are treated? You are given free accommodations. They welcome you lavishly as a leader. It's very nice. But we have to make sacrifices and let others go.

[Question] In your view, which is the better group?

[Answer] I have analysed things based on what I have been told by laborers. But personally, that is a difficult question to answer. During the railway affair, Mr Phaisan said some very harsh things about Mr Ahmat. But even within Mr Phaisan's federation, there were people who did not agree with Mr Phaisan about this. Because in this case, Mr Ahmat did the proper thing. If he had not fought.... In the past, we agreed with Mr Phaisan's criticisms of Mr Ahmat. Everyone agreed with the criticisms when Mr Ahmat used the railway movement, or labor movement, for political purposes. But in this case, people did not agree with the criticism.

[Question] Which group carries greater weight?

[Answer] As far as the ideological struggle is concerned, we don't know who is winning. We don't know who is who today. As for labor unionism and political parties, no one has clearly pointed out how unionism is doing, how the struggle should proceed or what the direction should be. No one has said anything about these things. And what will the political parties do? These things are still very unclear.

[Question] Do you plan to participate in the labor struggle again?

[Answer] I am in the position of a supporter. I think that in this struggle being waged by the laborers, politics and economics go hand in hand. Sometimes we want to consider economic matters first. Other times, we may want to give priority to politics. But we can't do things this way. Politics and economics go hand in hand. In certain situations we give priority to economic matters because this concerns the stomachs of the laborers and people in general. Or if the government's policies are wrong, we play politics.

[Question] There are reports that you will join a political party.

[Answer] I am an activist. I can't remain quiet. I have to admit that. I don't feel right if I don't follow the news, read the newspapers and talk with friends about what is going on in the country. I have to talk to people. I have been doing this for a long time. I am used to doing this. But that does not mean that I will become an MP. I may not join a party. But I will continue to engage in political activities. I consider myself to be a politician. If I am given an opportunity.... If I wage another struggle, they will call me a communist. Thus, I will fight openly taking the legal path by running for election.

[Question] You plan to run in 1987, isn't that right? Which party will you join?

[Answer] At present, I am looking at the various parties (laughs).

[Question] There have been reports that you have been involved with the Pak Mai [New Party], that is, with the pro-Lao and pro-Vietnam faction. Would you comment on that?

[Answer] I once told friends and officials that the Pak Mai does not exist. That was just an idea. I once thought about establishing a new party. But it is not easy to establish a party. You have to have an organization that is supported by the masses. It's not easy.

[Question] Even if you receive support from abroad?

[Answer] It's not easy for another country to provide support. Don't think that that is a simple matter.

[Question] But doesn't Laos want such a party established?

[Answer] Yes, it does. But they have to see whether we have the capabilities to establish a party. They want us to establish this party because Laos is communist. They have a Marxist-Leninist party. They want someone to establish such a party. They want the party to be a Marxist-Leninist party. But are we capable of doing this? I don't think that this is possible. Achan Bunyen Wothong has just a few people. He may want to establish a party and continue the struggle. But we have to look at the facts. We have to see whether the people support our organization. I, too, would like to establish a party. I could act like Achan Prasoet and write letters to friends, telling them that I was establishing a party. I could do that. But would people support me? Achan Bunyen may want to do this. But does he have people's support? It's up to the people. That is why I think that it is difficult to establish a party. It is even more difficult to establish a mass party.

[Question] Then you don't think that this party exists?

[Answer] No, I don't. Officials have charged that I am a member of the Pak Mai. I have constantly denied that. SIAM MAI and other newspapers have charged that I have given information to officials. But that is not true. All that I have said is that the Pak Mai does not exist. All that exists is the idea of forming a party. I once worked with Bunyen and Thongpak. We talked about forming a party. But I saw that that was not possible. Bunyen thought that it was possible, but I disagreed. And so I split away. When officials asked me about this, that is what I told them. Some officials have charged that I am a representative of the Pak Mai. Some newspapers have said the same thing. Some laborers have carried on activities in the name of the Pak Mai. I have never carried on activities in the name of anyone. I have tried to help in the name of the laborers. I have remained independent.

[Question] As for your views on solving the country's problems, would it be correct to classify you as a communist who is obeying the laws or as a social democrat or liberal democrat? Could you classify your present views?

[Answer] As for solving the problems, I hold the same views as many other scholars. That is, the problems must be solved using a socialist system. I believe that very strongly.

[Question] Could this be called social democracy?

[Answer] Yes. You could call it a democratic type of socialism. What we want is a better society. We have to look at things in our country. Some people say that this is not possible. But we can see that the scholars are right about some things. Take Achan Zroekkriet Phiphatseritham, for example. He has said that only this system can solve the problems. Many people have said the same thing. And I agree.

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CSO: 4207/309

THAILAND

REPORT ON NEW COMMUNIST MOVEMENT PERSONNEL, LPDR TIES

Bangkok CHAT ATHIPATAI in Thai 14-20 Sep 85 pp 48, 49

[Article by Khaen Sarika: "A New Communist Party, an Old Story That Has Been told Again and Again"]

[Text] I had an opportunity to go visit a friend at Ban Plai Thung Kula. The weather was perfect (in the next issue, I will write about Thung Kula, where things are improving.) That evening (18 August 1985) friends from Loei came to visit, too, and we all chatted and watched a television program on the problems facing the country. They are teachers but do not do much teaching since they are busy serving as ISOC [Internal Security Operations Command] experts. It was from them that I learned some interesting facts, which I will pass on to readers here. But before we began talking about this, we listened to a program on television. Senior people discussed solving the Cambodian problem. That was the second time that I had listened to that program. It has been on many other times, but I have not listened to all of it, perhaps because my I.Q. is the same as that of the villagers. My friend (the owner of the house) said that the house is deserted on Sundays. But on Monday and Tuesday evenings, the house is packed with people watching supernatural movies.

On the program that evening, Minister Sitthi (Mayura's father-in-law) spoke about the Indochinese federation, a Vietnamese plan to take control of the entire region. This is an old matter that has been discussed again and again. There are still people who think that Vietnam plans to seize Thailand. We discussed that issue that evening. And 2-3 days later, I read an article in MATICHON that stated that the 3rd Army Area had launched an operation in Nan to eliminate the forces of the New Siam Party. This party is supported by Vietnam and Laos. Sometimes, I am mystified by the names of these movements. There was the Siam Communist Party, the Revolutionary People's Party, the Northeastern National Liberation Group, the Thai People's Revolutionary Movement and the "Green Star" group, about which Lt Gen Chawalit created quite a stir.

While we were talking that evening, our friends who had come from Loei said that at present, the pro-Soviet communist party, or the Pak Mai [New Party], is more an idea than a reality. The only movement that exists is the Thai People's Revolutionary Movement, which is based in Laos. The latest report

received from an intelligence agent along the Tha Li-Chiang Khan border states that it may not be possible to establish a party because of the lack of a mass base. If it is actually established, it will have just a "head." The elements of this movement can be divided into two parts:

First are the old CPT activists from the northeast. There are about 200 of these. And there may be another 100 CPT activists from the north who have come and joined them (these are probably members of the New Siam Party referred to by the 3rd Army Area in its news statement). Second are the leftist politicians from Thai socialist groups. There are fewer than 50 of these people (including their families). My friend said that that is the extent of their strength. A weekly newspaper published details about this in an article published at the end of 1983. He said that that story was almost all correct. As for the data provided by certain units, he said that these data are unreliable. In particular, the stories about the "Green Star" group are very unreliable.

The leaders of that movement include two former members of the CPT. The first one whom I want to mention is Maharom Chittamat, who comes from Nong Hi in Plapak District, Nakhon Phanom Province. He is known by other names in Plapak, Na Kae and Thatu Phanom districts. The CPT asked him to work in the Phu Phan area and then sent him to work in Laos. He split away from the CPT in 1979 and crossed back into Thailand. He persuaded CPT members operating in the Plapak area to join him in establishing a new movement at the beginning of 1981 (about 100 people followed him into Laos). The other person is a Thai of Vietnamese extraction who comes from Nakhon Phanom. His name is Mr Dan Howien, alias Comrade Khawang or Comrade Udom. He was a member of the Vietnamese Lao Dong Party. The Vietnamese party sent him to help the (fraternal) CPT. Before he split away from the CPT, the upper northeastern CPT sent him to Laos to carry on international relations work.

As for the Thai socialist group, my friend said that there are only a few people left in this group. These include Mr Bunyen Wothong, Mr Wichai Sewamat and Mr Wichai Hinkaeo. Founding members of the group who have returned to Thailand include Mr Thongpak Phiengket and Mr Thoetphum Chaidi. At the same time, a news report states that a number of activists from Thailand have gone to join this group. Also, people from Laos have joined the group as advisors. These are said to include Sali Vongkhamsao, a minister attached to the Office of the Prime Minister, and Khamban, the chief of Department 35.

Four years ago, in an interview with SIAM MAI (during the Siam Nikon period), Ratthaphon Lekwanit, a former instructor at Mahidol University, said that Laos had asked him to establish a force and a radio station in order to liberate the 16 northeastern provinces. That occurred when he was visiting friends in Laos in 1975. He discussed this matter with Mr Bunyen Wothong, a former MP from Ubon Ratchathani. He rejected the Lao proposal, but Mr Bunyen went and joined them.

It can be seen that the desire to place the 16 northeastern provinces under the control of Laos has existed ever since the Lao Patriotic front began carrying on activities in the Plapak-Na Kae area. That was before the CPT seized control of the Phuphan area and announced the opening of hostilities.

They also tried to induce intellectuals to join them following the events of 14 October.

When I returned from Ban Plai Thung Kula, I told a fellow reporter what I had heard. He had learned from a news source in the 3rd Army Area that a communist terrorist group led by Comrade Khamdoi has recently been active in southern Nan Province and in Chattrakan District in Phitsanulok Province. They have tried to surrender, but the 3rd Army Area is not sure how sincere this group is about returning to participate in national development. It has been learned that this group has relations with a group on the Lao side. It is feared that if they are allowed to surrender, they will again create problems for officials.

Those who have followed the activities of this movement from the very beginning may remember that Gen Saiyut Koetphon once said that after the Pak Mai was established, it would be 10-20 years before it could carry on large-scale operations (he made this statement in 1983). After analyzing the data, I tend to agree with this retired general. There are new data that indicate that while the "outside" is ready to "burst in," the "inside" is ready to "burst out." But the truth is that at present, the movement is really an empty shell. That is, it does not have a large-scale mass base.

Some people may wonder about the reports issued by officials, who have stated that they have found signs that the Green Star group is carrying on activities here and there along the Thai-Lao border from Loei to Ubon or that more than 1,000 men are being trained in Laos. My friend, who knows what is going on in Loei, said that those reports are mostly fiction. At present, forces are carrying on activities along the Thai border from southern Nan south to Ban Khok Branch District in Uttaradit Province, Chattrakan District in Phitsanulok Province and Thai Li District in Loei Province. Most of these forces are remnants of the northern CPT. As for the forces of the Thai People's Revolutionary Movement, there really are such forces at Lao villages along the Heuang River in Ten and Ken Thao districts in Sayaboury Province in Laos. But they number fewer than 30 men. These are jungle troops from Phu Phan. They are led by Comrade Muangthong (Pluong Chomphu), a native of Plapak in Nakhon Phanom Province.

As for the approximately 200 troops (including their families), some are in Vientiane while others are in Savannakhet. My friend told me that an intelligence agent had reported that these troops engage in normal daily activities just like the Lao people. Sometimes, they have to go to Vietnam for training. Some have gone to the Soviet Union for training.

Thus, the fearsomeness of this movement has been exaggerated by Thai officials and certain members of the Thai mass media. For example, recently, a daily newspaper ran the headline, "New Communist Party Is Very Active." But after reading the article, people muttered an exclamation (softly) since they realized that they had been deceived into paying 3 baht to read old news. Some people have remarked sarcastically that this group seems to be using the old "hat" tactic. That is, it changes its name every month. And the newest name is the "New Siam Party" (so chic).

My friend said that a member of this movement was once captured at the Sai checkpoint. When officials asked him if he was a member of the Green Star group, he replied, "we heard that name in Laos and thought that a group in Thailand had established a new party."

I am not at all sure that a new group named the New Siam Party has been formed. Because even though new names are frequently reported, the stories are all the same. I asked my friend from Loei about this and he said that "this group was formed 6 years ago and has not made any progress at all. We are afraid that the Thai people will forget since Thais forget so easily. And so people have published reports to get people's attention. But they are afraid that people won't be interested if they keep using the same name. Thus, they change the name all the time so that people will think that a new party has been formed." This is the source of this old story that has been told over and over.

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CSO: 4207/311

THAILAND

POLICE GIVE PREM COUP INVESTIGATION REPORT

BK141133 Bangkok SIAM RAT in Thai 14 Oct 85 pp 1, 12

[Text] The Police Department, with its investigation team headed by Police Lieutenant General Suthat Sukhumwat, deputy police director general for suppression, has taken into custody four retired generals -- namely General Kriangsak Chamanan, General Soem Na Nakhon, Air Chief Marshal Krasae Intharat, and General Yot Thepatsadin Na Ayutthaya -- as well as six labor leaders and a university lecturer at the temporary prison at the Special Branch Police Division and the Bang Kehn Jail. They were charged with involvement in the 9 September unrest in the country.

A source at the Police Department told SIAM RAT that on 10 October the result of the investigation was presented to Prime Minister General Prem Tinsulanon by Police Director General Police General Narong Mahanon. After that, the police investigation team held a meeting at the Police Department, and its members agreed that the investigation into the charges of offenses against internal security under articles 113-118 of the Criminal Act had been completed. The team decided that two additional charges should be made against the suspects -- those of causing deaths and property losses. The police will, therefore, need more time before presenting the charges to the Prosecution Department.

Meanwhile, Criminal Court Chief Judge Chuchot Raktabut issued an order on the detention of the 9 September coup suspects. According to it, as of 16 October all suspects will be held at the criminal court rather than the temporary prison at the Special Branch Police Division.

CSO: 4207/27

THAILAND

POLITICIANS, PERPETRATORS' COLLEAGUES COMMENT ON COUP TRY

Editorial Cites Economic Conditions

Bangkok CHAT ATHIPATAI in Thai 14-20 Sep 85 p 4

[Editorial: "A Lesson for the Prem Government"]

[Text] The coups that have occurred in Thai political history have all been different depending on the situation in each period. However, these phenomena have all provided lessons and conclusions for examination.

Similarly, the coup of 9 September is an index pointing to certain things. The only question is, will anyone learn anything from this and use this to help solve the problems so that such events, which no one wants, do not happen again?

Politically, the form of government acceptable to the Thai people is democracy. Political changes must be made using the parliamentary process. Using force to effect a transfer of power is dictatorship.

However, looking at the things done by the Prem government, particularly on the economic front, how skilled is it at solving the problems in order to improve the standard of living? Since the time of the Prem 1 government, has the people's standard of living improved or declined?

It is up to all the people of the country to decide whether this government has failed or scored achievements. It is not up to one particular person. And it is not the government's task to brag about its own achievements.

Actually, the reasons cited by the coup group are often viewed as an excuse. But if we take a neutral position and consider the economic reasons given by the coup makers of 9 September, we can see how close they were to the truth.

"Peaceful" methods are usually used just to put a stop to things. But there must also be peace in terms of ideas and reasons. This must be accepted widely and put into practice, if it is really a good thing.

Bangkok WIWAT in Thai 17-23 Sep 85 p 10

[Statement by Mr Khlaeo Norapati, the deputy leader of the Social Democrat Party]

[Text] "I agree with the reasons cited by the Revolutionary Council, which brought up the economic problems. The economy is in great trouble. Both government and opposition MPs are doing everything they can to get the Prem government to reshuffle the economic cabinet in order to bring in new people to administer the country.

"This coup stemmed from this. The prime minister has not taken any action and so others were forced to take action. If Prime Minister Prem had tried to solve these problems, this would not have occurred. The prime minister does not like anyone to apply pressure. But he must listen to the people. Being honest is not enough. This coup taught the government a very strong lesson. If Prime Minister Prem becomes too arrogant and refuses to make changes in his coalition government, the same thing will happen again.

"However, I have never supported a coup. It is parliament's duty to solve the problems. I don't think that there was anything behind this. They just wanted to change the government. There was probably nothing more to it than that. People out of power probably wanted to return to power."

Pongphon Adireksan

Bangkok WIWAT in Thai 17-23 Sep 85 p 12

[Statement by Pongphon Adireksan, the deputy secretary of the Thai Nation Party]

[Text] "I have been attending debates at various universities, such as Ramkhamhaeng, Thammasat and Chiang Mai, for a long time now. I have long said that there are four things that the government can do: 1. reshuffle the cabinet, 2. dissolve parliament, 3. resign, or 4. not do anything. If the prime minister does not do anything, that is, if he chooses option four, there will definitely be a coup or an insurrection. And those who stage the coup will cite the economy as an excuse.

"Thus, while the government put down the coup using force, it has not solved the economic problems. If the government just assumes that it has won, that the problem has been solved and that this was carried out by just one group of retired soldiers who had become disaffected, this is a clear indication that the government does not have any confidence in the people. The government has not done anything. We don't know how sincere the coup makers were about wanting to solve the country's problems. But our present parliament is a dictatorship since the opposition can't do anything. We are much weaker than they are. The government does not pay any attention to the opposition. It just does what it wants. It does not pay any attention to the people, and does not

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bother to inform the people about what it is doing. Because of this, I don't think that parliament will be able to solve the problems."

Manun Colleague

Bangkok WIWAT in Thai 17-23 Sep 85 pp 14, 15

[Statement by Lt Col Ronchai Sisuworanan, the former commander of a tank battalion that participated in the 1 April Rebellion]

[Text] I would like to speak from the heart. When I heard about this, my first reaction was one of surprise. I went to work in the morning and heard about this. Frankly, I was shocked. When I learned that the head of the Revolutionary Council was Gen Soem Na Nakhon, I knew that there was a problem. If it had been Gen Thienchai Sirisamphan, that would have been something else. Frankly, this did not seem like a coup d'etat. The 1 April Rebellion was a failure and this one was an even greater failure. Rebel headquarters was set up right across from the headquarters of the Bangkok Peacekeeping Force. And they seized power for only a few hours. That is not a coup.

From what I know of Col Manun Rupkhachon, I find it difficult to believe that he was the leader of the coup or that he was behind things as the press has stated. That is just not in keeping with his personality. That is, Manun is a prudent person. He plans things carefully. I can't believe that he was the coup maker. If he really was behind this, then he was probably pressured into this. There had to be something to force him to take such action. I am speaking analytically. If he really was behind this, what would have forced him to take such a risk? I admit that there were pressures on Manun. But this is a matter of resignation. For example, I am resigned to the fact that we young turks can no longer do anything. We cannot return to government service. We are finished. We can use religion to help ourselves. But this is an individual matter. It depends on how resigned people are. Manun may not have been resigned to his fate because.... I don't know.

I have tried to find out what the pressures were. It may be that he wanted to prove something. He may have wanted to prove his bravery or put to rest people's doubts about his actions in the 1 April Rebellion. But actually, I don't believe that this analysis is correct. Manun is a very patient person. I don't think that he would have made such a decision.

It's true that a small force was used to launch a sudden operation. But I don't think that this use of force can be called a coup d'etat. If it had been a real coup, Air Chief Marshal Praphan Thupatemi would not have been the only person arrested. Many others would have been arrested, too. This shows that no large-scale preparations were made. But it was more than an accident. I don't know why this happened. But when I heard that Manun and Manat Rupkhachon were involved, I was very surprised and shocked. I also felt sorry that there was nothing I could do to help him. I once had great faith in him and in his generosity and leadership ability. But this time, it just doesn't seem that this could have happened. There have also been reports about the involvement of Gen Kriangsak Chamanan. Frankly, I am astounded. I am depressed by what has

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happened. The young turks still had a chance to become involved in politics. It was not necessary to stage a coup.

If Manun had waited until 1987 and ran as a candidate, he stood a good chance of winning. He could have taken that path to solve the country's problems. But what happened is something that should not have happened. It's more than an accident.

Army Lt, Labor, Student Leaders' Remarks

Bangkok LAK THAI in Thai 19 Sep 85 pp 21-23

[Interviews with a rebel army lieutenant and with labor and student leaders; date and place not specified]

At 1500 hours in front of rebel headquarters, which was set up in Building 602 inside Supreme Command Headquarters, a group of 10 soldiers with their 2 tanks waited quietly. While these soldiers, who knew that they could not win, were not depressed, they were subdued. Many had begun to change their clothes so that they could mix in among the crowd of civilians and flee rebel headquarters. Others remained and talked with each other solemnly.

The following are the remarks made to LAK THAI by a 29-year-old sublieutenant who had led his soldiers from the 4th Royal Guards Cavalry Regiment in Saraburi Province to participate in a rebellion in Bangkok on the orders of Col Manun Rupkhachon, his old commander, regardless of what his present commander thought. His name is Sublieutenant Kamphon Fuongakson.

[Question] How many men participated in the coup and where did they come from?

[Answer] I think that there were a total of about 500 men. I brought about 80 men from the 4th Royal Guards Cavalry Regiment. There were about 100 men from the 4th Cavalry Battalion and approximately 20 from the Saraburi Special Forces Battalion. The other 300 came from the RTAF Security Force of Wing Cdr Manat Rupkhachon. All those from Saraburi are former subordinates of Col Manun who still have great respect for him.

I want to say that we all participated in this voluntarily. No one promised us anything. I came on the order of Manun, who was my old commander and for whom I was ready to die. As for how we managed to get here, we disguised ourselves as civilians and rode to Bangkok in pickup trucks and buses. We assembled at Rangsit before going to join those at the 4th Cavalry Battalion. All we brought along was ammunition. The weapons and tanks were obtained at the 4th Cavalry Battalion. There were about 30 tanks. We then moved to seize various important locations.

[Question] Did the commanders of the 4th Royal Guards Cavalry Regiment and the 4th Cavalry Battalion in Bangkok participate in this coup?

[Answer] No, they didn't. I came because I had received an order from Manun, who was my old commander. I brought along subordinates who respect me. I received this order from Manun at noon on 8 September. I ordered my men to get ready. We left Saraburi at 2030 hours.

[Question] Why did you participate in this coup?

[Answer] Mainly because of the economic problems, which the government has not been able to solve. Another reason has to do with Policy 66/1980. Because of the government's use of this policy, communists have surrendered and entered the cities. They have not been punished. But they have not changed their ideas. The government knows that they are still active. But it has not taken any resolute action against them. It has allowed communists to fill our cities.

Another important problem is that commanders today do not love their subordinates as much as they should. They just take; they never give. Things are like this from the battalion level on up. These people earn a good salary, but they have never spent any money to help their subordinates. They just spend their money on personal pleasures. They don't care about their subordinates. This is quite different from how my former commander acted. He loved his men. I can assure you that we did this for the common good and that we participated voluntarily.

[Question] What really happened in the clash that took place in front of the 1st Division's radio station and in the second clash?

[Answer] I can assure you that we did not fire first. I was in charge of three tanks. We stationed ourselves in front of the 1st Division's radio station in order to ask them to stop broadcasting reports in support of the government. A captain came out and negotiated, and it was agreed that they would cease broadcasting for an hour. But a moment later, they started firing at us. Also, they were preparing to fire anti-tank rockets at us. Thus, we used our tank guns to fire back and to knock down the radio antenna.

As for the second clash in front of 1st Division Headquarters, they fired at us first using anti-tank rockets. And so we fired back.

[Question] How many casualties did the rebels suffer?

[Answer] None. I don't know how many casualties the government side suffered. Our weapons were far superior to theirs. Everyone is afraid of a tank.

[Question] Why did you give up?

[Answer] Because innocent civilians were being killed. We felt very bad about that. Actually, we did not want to surrender. And the civilians who were there wanted us to keep fighting. If Manun had ordered us to keep on fighting, we were ready to do so even though we knew that there was no way that we could win. We had very few men and did not receive any support from the infantry. The troops from the RTAF Security force did not help us fight.

[Question] Did you graduate from the Chulachomklao Royal Military Academy?

[Answer] No, I didn't. I attended the NCO Academy and rose through the ranks. I graduated from the NCO Academy in 1975.

[Question] Do you know Gen Prem?

[Answer] Yes. Col Manun chose me to serve as a bodyguard for Gen Prem at the time that Prem was the deputy minister of interior. I was his bodyguard until he became prime minister. Col Manun did everything for him. He chose only good people to go serve the prime minister. I was relieved of this duty after the events of 1-3 April 1981. Thus, I know what things are like at the prime minister's house.

[Question] What is Prime Minister Prem like?

[Answer] He is too weak to govern the country. He is not resolute. He always waits to hear what others think.

Labor leader

Mr Wichai Thosuwannachinda, the secretary-general of the Employees' Council of the Labor Council of Thailand made the following remarks to LAK THAI:

I think that this coup stemmed mainly from the economic problems, which are causing great difficulties for the people. The government has not been able to solve the problems, and this resulted in a group trying to stage a coup.

What they tried to do was possible but it was not legal. I do not think that staging a coup is the right way to solve the economic problems. These problems must be solved by making capable people responsible for administering the country. The state's administrative apparatus must be changed. A coup would just be a temporary solution since no new innovations would be made. After awhile, the same problems would crop up again.

Thus, we must find capable people and work together to solve the problems. It's time that we selected people to solve the economic problems. The other problems are less pressing.

[Question] What about the fact that certain laborers led by Mr Sawat Lukdot and Mr Prathin Thamrongchoi participated in the coup?

[Answer] Neither Mr Sawat nor Mr Prathin hold positions in the Labor Council. They just worked together once. They did that on their own. The Labor Council was not involved. They probably did that in order to show the needs of the laborers. Laborers have made appeals to the government many times, but the government has never paid any attention to our needs. The government has not shown any interest in the welfare of laborers, the persecution of labor leaders or the establishment of a labor bureau to solve the labor problems. The government just listens and then does nothing.

[Question] Do you think that these two men are guilty of anything and will the Labor Council try to help them?

[Answer] From what I know, Mr Prathin has talked with Special Branch Division officials, and they have released him. There shouldn't be any problems. But if there are, we will have to look at things on a case by case basis. We are ready to help them reach an understanding with officials. This also depends on whether these two men request help from the Labor Council.

Student Leader

Mr Piti Kunsirorat, the president of the Thammasat Student Association, told LAK THAI that:

Students do not think that this coup is a simple matter. There has to be more to it than this. The conflict among senior military officers probably had something to do with this. However, we do not approve of staging a coup just in order to change the people in power while ignoring the basic problems of the people. A coup cannot solve any problems.

However, what took place does point up the crisis that exists, to which the government must give more attention. The government, particularly certain parties in the government, have been unable to solve the basic problems, that is the economic problems. Until these problems are solved, there will continue to be political crises and there will be more attempted coups.

Thus, this coup has clearly shown Gen Prem that the time has come to make decisions to solve the country's problems. He can no longer afford to compromise in order to preserve the interests of certain groups.

However, I want to repeat that I do not support a coup since a coup just amounts to one military faction replacing the group in power. What has happened is an important problem. That is, each coup slows down the development of democracy.

Parliament Military Committee Chairman

Bangkok MATICHON SUT SAPDA in Thai 22 Sep 85 pp 17-19

[Interview with Admiral Sombun Chuaphibun, a member of the Democrat Party and the chairman of the House Military Subcommittee; date and place not specified]

[Excerpts] [Question] Why did the 9 September Coup fail?

[Answer] Plans were made, and this shows that the senior commanders did not approve of the coup. Today, both junior and senior officers hold democratic ideas. The use of force is bound to fail since most soldiers do not approve of staging a coup.

[Question] Do you think that the 9 September coup makers made preparations?

[Answer] They may have made just basic preparations, such as arranging to move their forces. But they failed since most of the units refused to join them. They needed the support of senior people in the military. In the 1 April coup, they had 42 battalions; they still failed. Most of the units did not support them. I would like to commend the army for choosing good unit commanders. What I am especially pleased about is that Maj Gen Israphong Nunphakdi, the commander of the 1st Division, opposed the coup. Another person who can be held up as a good example for junior officers is a former commander of the 1st Division. I am referring to Arun Thawatsin. During the 26 March coup, he was forced to participate in the coup. I think that the army has chosen very good men to command the units. They are trustworthy and dependable, and they hold democratic ideals.

[Question] In your capacity as the chairman of the House Military Subcommittee, what can be done to prevent coups?

[Answer] I think that things are all right as they are. Trustworthy people with democratic ideals must be appointed as unit commanders. As for the promises made by the coup makers that they would solve this and that problem, frankly, even the gods couldn't solve all those problems. They shouldn't have promised all those things. They were trying to deceive the people. The people listened to their policies, but no one believed them.

[Question] What should be done with the ringleaders? Was it right to let Col Manun Rupkhachon go?

[Answer] The matter is being investigated. If anyone is implicated, they must be questioned to determine if they were involved. If they committed a crime, they must be prosecuted based on the law. As for Col Manun, they may have made a bargain in order to keep the situation from becoming more violent. This may have been the view of the opposition, which wanted to end the matter as quickly as possible. I am very pleased with what Gen Thienchai did. Because labor union members were getting involved, too. If this had continued or might have fallen, the situation may have become very complex. People may have committed acts of sabotage.

[Question] Why did these soldiers stage a coup at this time?

[Answer] The great majority of soldiers were not involved in this. You can't say that the military was involved in this. In the newspaper, I read that the RTAF CINC said that only a handful of soldiers was involved. But that is a difficult question to answer. The press should gather information on that. Members of the Military Subcommittee has said that someone should gather the facts and write a book about this. I think it would be a bestseller. Many people want to read about this. They want to know who "Mong" is. We have to find out who Mong is. This must be investigated.

[Question] What made Col Manun decide to launch the coup since, according to reports, he had so few men?

[Answer] The important question is, was Col Manun in Bangkok? I don't think that he had been in Bangkok for very long. And if he had just arrived, how strong could he be? He no longer has any prestige. He was once a cavalry commander. But his subordinates have new commanders. I think that "Mong" felt that he had once staged a coup and so he urged him to participate. Manun may not have intended to do this. Would you do that? There is much more to this than meets the eye.

[Question] Is it possible that Col Manun was betrayed?

[Answer] Do you think it's possible that Col Manun could have staged this? He returned to Thailand only a few days before the coup. Do you think he had time to persuade military commanders to participate in this? That's impossible.

He may have been tricked. Mong may have tricked him into thinking that everything was ready. He may have been tricked into being the spearhead. That is a possibility, isn't it? He may have been tricked.

[Question] Were you surprised that when the names of the coup makers were released, no senior military officer was on the list? And those who were implicated all said that they have been forced to participate.

[Answer] You will have to ask someone else about that. You will have to ask the Intelligence Office or Mr Piya Chakkaphak (laughs).

[Question] Do you think that Gen Soem Na Nakhon, Gen Yot Thephatsadin Na Ayuthaya and Gen Kriangsak Chamanan were forced to participate?

[Answer] That could be true. It's difficult to say. It's difficult to prove. I don't understand why "Mong" would ask soldiers who have been retired for several years to participate. Did he think that they still have influence or could be of use? Did he think that they could be used to gain acceptance? Perhaps they were used because they had staged coups in the past. Perhaps he thought that Yot and Kriangsak knew what to do and so they were asked to provide help.

[Question] What made these retired soldiers decide to participate?

[Answer] How do you know that they decided to participate? We don't know that for sure yet. The RTAF CINC was threatened. The RTA CINC was not present. If he had been, he may have been threatened, too. We don't know. (laughs)

[Question] What do you think about the military and political actions taken by both the coup makers and opposition on 9 September?

[Answer] The coup makers did not have a system. They just used force, which led to great losses. If they can find out who drove the tanks that fired on the 1st Division Headquarters, they should punish them harshly. In the past, coup makers did not use force like this. They used tanks, but the tanks never used their guns. This time, the tanks fired their guns. During the rebellion led by Boradet, artillery was used. That was a major affair. But that should not have happened this time. However, those opposing the coup, such as

Gen Thienchai, took a very gentle approach and succeeded in putting an end to the coup before nightfall. If it had not been settled by nightfall, this would have continued. Manun was allowed to leave the country in order to end the rebellion.

[Question] Can it be said that Col Manun has been made the scapegoat?

[Answer] I don't know. He was living well abroad. Why did he suddenly return to Thailand? He was a colonel. He should have known better.

[Question] What do you think will happen now? Will there be any obstacles in revealing what really happened or in punishing those who broke the law?

[Answer] We must wait and see what is learned from the investigation. A committee has been established. They will find out who was involved. We may learn about ties between various groups. There shouldn't be any obstacles if things are done properly. The military is conducting an internal investigation, too.

[Question] Will the Military Subcommittee investigate the coup?

[Answer] We would like to. We would like to ask those who opposed the coup to provide us with details on this. We are discussing this. But I think that the newspapers can provide many details. Besides that, it is difficult to get people to come. They may not want to explain things to us since this is a security matter. We think that it is better not to interfere.

[Question] In general, what affect do you think the coup will have on the country?

[Answer] The government must take responsibility for the losses suffered by the people, including the families of the reporters who were killed. This has tarnished our image. Others may think that Thailand is not safe. The number of tourists may decline. The economy may suffer. But we are already in a recession. People's confidence has been shaken. But on the other hand, this may show people that Thailand is secure and that coups cannot succeed. People can invest here safely. There is no need to worry.

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4 November 1985

THAILAND

NEW 1ST ROYAL GUARDS INFANTRY DIVISION COMMANDER PROFILED

Bangkok MATICHON SUT SAPDA in Thai 15 Sep 85 p 42

[MATICHON People column]

[Text] Maj Gen Wimon Wongwanit, the New Commander of the 1st Royal Guards Infantry Division

He was born on 1 March 1936 in Phunphin District, Surat Thani Province. He is 49 years old. He has 11 years left before he retires.

He attended primary school in Phunphin District. He completed secondary school at the Phuttha Nikhom School in Chaiya District, Surat Thani Province. He then entered the Army Preparatory School as a member of Class 12. He graduated from the Chulachomklao Royal Military Academy, Westpoint curriculum, as a member of Class 5. Well-known classmates included Maj Gen Isaraphong Nunphakdi, the commander of the 1st Royal Guards Infantry Division, Maj Gen Khachon Ramanwong, the commander of the 2nd Special Forces Division, Maj Gen Suchinda Khrappayun, the director of army operations, and Maj Gen Wirot Saengsanit, the commander of the AAA Division.

After graduating, he was made the leader of a small-arms platoon with the 2nd Battalion, 1st Royal Guards Infantry Regiment. He then served as the commander of a special operations unit with the Special Forces Unit (paratroopers) and the chief of staff of the 2nd Mixed Regiment. Following that, he was made an instructor at the Army Staff School. He was then appointed commander of the 6th Infantry Regiment. In 1983, he was promoted to major general and made the commander of the 1st Special Forces Division. Many of his classmates were appointed divisional commanders that year.

In 1966, he graduated from the Army Staff School. He then attended the Army Staff School in England and took the paratrooper course in the United States.

He loves sports. He shattered track records 4 years in a row. Besides that, he played on the national rugby team for 4 years in a row. He once won the army rifle shooting championship.

Because of receiving paratrooper training abroad, he is particularly skilled at making parachute drops. He was once a top-ranking parachutist.

Even though he holds a rather high position in the army, he is a rather reserved person. He likes to be with his family. He likes to exercise. At the same time, he likes to learn new things.

At present, he is serving as a royal aide-de-camp and as a senator. He has been appointed the commander of the 1st Royal Guards Infantry Division in place of Maj Gen Isaraphong Nunphandi, a classmate who has been made the deputy commanding general of the 2nd Army Area. This is a very important command position.

He is married to Maj Mali Sapyanon. They have one son and one daughter.

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CSO: 4207/310

THAILAND

AIR FORCE, NAVY COUP SUSPECTS PROFILED

Bangkok MATICHON SUT SAPDA in Thai 22 Sep 85 p 42

[MATICHON People column]

[Text] Air Chief Marshal Arun Phromthep, the Deputy Supreme Commander

He was born on 4 December 1927 in Bang Muang Subdistrict, Muang District, Samut Prakan Province. He is the son of Mr Kham and Mrs Yai Phromthep.

He attended the Samut Prakan provincial school and then entered the Army Preparatory School as a member of Class 6. He also attended the Army Academy, taking the 5-year curriculum. Only 11 classes attended this academy before it was abolished.

Later on, he attended the Army Science School. He also attended the Flight Training School, the Officers' Flight Training School and the RTAF Academy. He studied at the U.S. Air Force Flight Training School and the U.S. Air Force Flight Training and Fighter Pilot School. He then attended the Air Force Staff Officers School in England and observed meteorological observation activities. He later returned to the United States to observe the use of infrared measuring devices and communications equipment. Thus, he was well trained in both the theoretical and practical aspects of air force operations.

He started his career as a pilot officer. He served as an instructor at the Flight Training School, the commander of squadrons 11 and 12, Group 1, the deputy head of the test pilot section, Don Muang Aircraft Maintenance Section, Directorate of Aeronautical Engineering, the deputy commander of Group 1, the deputy commander of Group 6, the assistant air force attache in Taipei, the commander of Group 4, the commander of Group 1, the chief of staff at the Flight Training School and the deputy commandant of the Flight Training School.

In 1972, he became the deputy director of air force operations. Following that, he served as the deputy chief of staff of the Tactical Air Command, the director of air force operations, the assistant chief of the air staff, the deputy chief of the air staff, the chief of the air staff, the assistant RTAF CINC and, most recently, the deputy supreme commander.

During the movement to revise the constitution, he opposed this. He was one of those who opposed this. He was one of the few officers who agreed with senior commanders.

During the 9 September rebellion, he was one of those at the headquarters of the Revolutionary Council. He is now under investigation to determine whether he joined the Revolutionary Council in this attempt to change the administration.

He is married to Chuanphit. They have three sons and one daughter.

Admiral Supha Khotseni, the Deputy Chief of Staff Officers [Supreme Command]

He was born on 12 October 1926 in Roi Et Province. He is the son of Luang Borinai Chanyarat, an official with the Ministry of Justice, and Mrs Krathin Khotseni.

When he was young, he had to transfer schools when his father was transferred to various provinces in the northeast. He completed secondary school at Amnuaisin School in Bangkok. He was always a good student. He then entered the Naval Preparatory School, graduating in 1948.

He studied electronics at the Naval Institute in Illinois in the United States. He attended the Naval Staff College in 1958 and the Armed Forces Staff College in 1961, the same class as Gen Kriangsak Chamanan. He also attended the National Defense College, where he was in the same class as Mr Kasem Chatikawanit.

He served as a probationary officer for 1 year, serving as the commandant of the Naval Seamen School. He was then transferred to the Royal Thai Fleet, where he served as a torpedo chief on the ship the Rayong for 2 years.

In 1951, he was sent to Korea for 1 year, where he served as an anti-submarine officer on the ship the Prasae. After returning to Thailand, he taught at the Naval Preparatory School for 3 years.

In 1955, he received a grant to study electronics in the United States. On his return, he was assigned to the Naval Academy and was selected to serve as an aide to the minister of defense, a position then held by Field Marshal Thanom Kittikhachon.

In 1965, he served as naval attache to the United States. In 1968, he was promoted to rear admiral and made the deputy commander of the Thai forces in Vietnam, where he served for 1 year. On his return, he was made the commander of the Gulf Fleet. In 1973, he was made the chief of staff of the Royal Thai Fleet.

As a result of the events of 14 October 1973, he was assigned to the Office of the Under Secretary of Defense, where he served for 3 years. He was then transferred to Supreme Command Headquarters. Following that, he was transferred to Naval Headquarters. He served there for over a year. He was then promoted to vice admiral and appointed the commandant of the Naval

Academy, where he served from 1979 to 1983. After serving there for 4 years, he was promoted to admiral and made the deputy chief of staff officers, the position that he now holds. It was thought that he would be made the RTN CINC in October 1984, but instead he remained in his old position.

He is one of those suspected of having joined the Revolutionary Council during the 9 September rebellion since he was at the headquarters of the Revolutionary Council. This is now being investigated by the investigation committee.

He is married to Songsamon Kittikhachon, the daughter of Field Marshal Thonam Kittikhachon. They have one son and four daughters.

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THAILAND

MONK KITTIWUTHO ON SHARE FUND ROLE, MILITARY CORPORATION

Bangkok MATICHON SUT SAPDA in Thai 15 Sep 85 pp 14, 15

[Interview with Phra Kittiwutho, the director of Chitaphawan Withayalai; date and place not specified]

[Text] [Question] Many people are interested in the share funds. What do you think about these funds?

[Answer] I don't know too much about the share funds. People may engage in any business they like as long as they earn their living honestly, which is referred to as Right Livelihood on the Noble Eight-Fold Path. But the Buddha forbid people from selling weapons, narcotics, human beings, meat or alcohol. Everything else is all right.

[Question] What do you think about the government promulgating the Share Act?

[Answer] The government is probably worried about the people. But because it became overly concerned, it has caused problems for people. The problem should be solved at the source. That is, they should get to the root of the matter. In carrying on business activities today, the people cannot rely on the financial institutions. And so they have had to find a way to join together and carry on activities together. Share funds have been in existence for many years. These are referred to as trade shares. Twenty people or so join together in order to set up a share fund. They do this because they cannot rely on the financial institutions. They trust each other. It just happens that the share funds in the news today are very large. But such activities are quite common. This has been going on for a long time.

[Question] As for your involvement in this matter, many people have said that this is not something in which a monk should be involved. What is your view?

[Answer] Those who say that do not understand Buddhist principles. They are people who do not have religious faith. If they really held religious beliefs, they would understand that monks are responsible for teaching people how to get along in society. These teachings may please some people and displease others. But monks must speak the truth. That is the duty of a monk. If that is not right, then what is the duty of a monk? Just to eat and sleep?

[Question] How long have you known Mrs Nokkhaeo Chaiyen, the operator of the Mae Nokkhaeo share fund?

[Answer] I met her just recently when she encountered difficulties. She came to the temple and we talked. It is normal for people with problems to seek advice. Whether you know someone or not, when you are suffering, you want to talk to someone. People have occasionally asked me for bus fare. I am not related to Mrs Nokkhaeo. I am not involved with her. But I am concerned since many people are experiencing problems and no one is doing anything to solve this problem. The only thing that has been done is to make the problem worse. That is not right.

[Question] Do you know what Mrs Nokkhaeo did with the money invested with her?

[Answer] From what I know, she purchased land and built a housing development. She also traded in domestic and foreign oil. This is documented. For example, there are about 100 oil trucks parked around her office. This shows that she really was engaged in the oil business.

[Question] The day that several thousand shareholders held a meeting at Chittaphawan, you said that the shareholders were experiencing great problems. What is the actual truth and how should this problem be solved?

[Answer] What I said that day was the truth. As for solving the problem, we must find the best solution possible. For example, when a bank learns that a shop does not have money to pay the bank, the bank has to make concessions in order to help its customer. This is the proper method. If the customer survives, the bank will get its money back. Similarly, when we invest in some business activity, if the company suffers losses and cannot repay all the money owed us, we have to make concessions so that they can continue to operate. In the long term, we will get all our money back. This is the fair way to handle things. This amounts to meeting each other halfway. This benefits both sides.

[Question] What do you think about the fact that the Council of Elders will conduct an investigation since it feels that your involvement in the share fund matter is a violation of Buddhist discipline and that it is harmful to the religion?

[Answer] Don't talk to me about the elders. I have never been invited by any elder to give a sermon. They know that I did not do anything wrong. I don't think that I have done anything wrong. I am ready to explain everything.

[Question] The cabinet has held a meeting about this. If the cabinet feels that you should not have gotten involved in this and asks you to come answer questions, will you do so?

[Answer] Yes, definitely. The cabinet held a meeting on this because I sent a letter to the prime minister. I told him what measures should be implemented to solve this problem. It might be possible to solve this problem. I informed him in advance of the meeting to be held at my temple. Such a meeting would be beneficial since we could discuss ways to solve the problems encountered by

the people. People can't criticize me for doing what I have done. I have done my duty as a monk, which is to help the people. If monks cannot take steps to help the people, of what use is religion?

[Question] Many people say that you have a financial interest in the Nokkaeo share fund. Is that true?

[Answer] Just because I let them use my temple grounds does not mean that I am involved in the share fund. We have to see what the limitations are. Just because I tried to help solve the problem does not mean that I am involved in the share fund. I got involved in order to help solve this problem. Since I was asked to help, I tried to do so. I can assure you that I am not involved in the share fund. Our only duty is to help relieve people's suffering.

[Question] There have been reports that her company will be turned into a public company. Could you tell us how this company will function?

[Answer] That is up to the company. But as is known, a public company is one in which the people own most of the shares. It was formed for the purpose of carrying on business activities. There is nothing wrong with people joining together to carry on business activities and forming a large company. This is legal. What activities the company engages in is up to it. They can sell everything from pestles to warships. There are all types, as can be seen from all the different brands. But I am not involved with that company. Those who engage in business activities must obey the law. I don't know anything about using capital to register a company. But the law states that you can do this with capital of 5 million baht.

[Question] Many people think that you have violated the disciplinary regulations by getting involved in this matter.

[Answer] Let me put it this way. As for the activities of monks, the Buddha said that monks who travel about in order to spread the faith must: 1. do things that will benefit the people as much as possible, 2. do things to make the people happy, and 3. give aid to the people of the world. When the people of the world are experiencing problems, monks must give aid. By letting shareholders hold a meeting at Chittaphawan, I was trying to comfort these people. I did not open a brothel or casino. The people who came to that meeting were not evil people. They were honest people, not criminals. Why are they hated? The government must take action to make people happy. It should be concerned with improving things for the people, not making them worse. It should take steps to give them some hope. That is what a good administrator does.

[Question] The economy is very bad today. Is that why so many people have invested in share funds?

[Answer] The economy is very bad. What I did was another form of providing help. The government should thank me. It shouldn't create problems. It should thank me for trying to relieve the suffering of the people. If the government has good intentions toward the people, it should be happy about this. But if the government is insincere.... Take the trust problem, for example. When the

trusts failed, no one provided any help. Laws were promulgated in order to help the people. But since the failure of the first trust, the Racha Finance Company, no one has gotten their money back. They were ready to clear up things, but the government would not let them. I know these people well. They said that they were prepared to repay the people if the government would give them back their company. But the government refused. Why are they playing so dirty? It is the people who are suffering. They are not reasonable. They are too emotional. They are biased.

The same is true with the share fund matter. I have had to try to solve the problem because many people have come to me asking for help. People are experiencing great problems. People don't dare speak the truth. And now that someone has tried to solve the problem, there is great turmoil. This shows that they are being honest with the people.

[Question] At present, shareholders are worried that turning the company into a public company is not aimed at solving the problem. Rather, they see this as an attempt to get around the Share Act and stay within the limits of the law, with operations continuing as before.

[Answer] The company is trying to do things based on the law. Since they are trying to obey the law, the government should support them and make things convenient for them. But how can they survive if people don't have confidence in them. They have large assets in the form of land. Thus, those who do not believe that they will make a profit can take possession of some land. As for how the trading activities are to be carried on, that is not my affair.

[Question] Do you think that the Share Act promulgated by the government should be used in a more flexible manner?

[Answer] I don't have the right to criticize that. But I would like people to be aware of what will really benefit the majority of the people. As for this law, it is up to the government to determine what should be done if the people are experiencing problems. I know that this law was passed using the proper steps, but now it's being abused. In the past, when Japan was in the process of developing, they experienced economic problems just like we are today.

Later on, they shifted to having public corporations, and their economy has improved greatly. That is a clear image. But most of the people who have invested in share funds are government officials, including police officials and civilian officials. The government should be glad that they found a way to supplement their small salaries and support their families. This will cut down on corruption among government officials. This will help improve the situation of the government officials. The people whom the government should take resolute action against are those who operate casinos. Gambling is a vice. We should not build too many liquor distilleries.

[Question] Some people feel that you interfere in politics too much. What is your view on that?

[Answer] First of all, you have to understand what politics is. I have not interfered in politics. But certain politicians have made it necessary for

monks to get involved. Monks are responsible for teaching society. Monks are the teachers of society. They can teach the government, too. If monks can't instruct the government, the government doesn't need to ask monks to teach the people. Today, many senior people in the country are acting unreasonably.

[Question] What do you think about the fact that the Ministry of Education has instructed the Department of Religious Affairs to consider your case?

[Answer] Monks are responsible for teaching everyone. Ministers cannot act as if they are superior to monks. I don't care if it's a minister or anyone else. Before they start discussing matters, they should come and ask me why I did what I did. They know the truth; many interviews have been given. They should not stir up trouble within the Buddhist Order or cause splits. This could weaken the religion. Monks all over the country should monitor this. I ask the people to decide whether what I did was right or wrong. What I did for the benefit of the people has been criticized by a minister, who has not shown any respect to monks. He should not cause problems for the Council of Elders. He should come and ask me about this. Just because someone becomes a minister does not give him the right to control monks. Actually, senior monks have much higher morals than do those people.

[Question] Would you like to tell shareholders anything?

[Answer] Don't say that I am entrusting something to shareholders. I would like to tell the shareholders who are experiencing difficulties to turn to each other, rely on the five precepts and treat each other in a friendly manner. It won't do any good to get angry at each other. This will just cause problems for the courts. The police will be busy with this instead of looking after the people. Instead of protecting the people, they will be bogged down in this share fund matter. This is a business matter. People can find a way to work this out and find a just solution. Everything will be all right if everyone cooperates. But if each side has only its own interests at heart, both sides will lose. If the company does things based on the law, it should be able to continue its activities unless the government is not sincere about solving the problems. The company wants to solve the problems and engage in trade. It is wrong not to let them engage in trade. If large numbers of people are persecuted like this, the end result will be the downfall of the government.

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CSO: 4207/310

THAILAND

COLUMN DENIES REPORT ON GENERAL ATHIT IN SWEDEN

BK101357 Bangkok THAI RAT in Thai 7 Oct 85 p 4

[From "Ramasun" column: "Personalities in the News"]

[Text] Attention all fraternal Thai people and patriots: All the rumors and leaflets that have been spread everywhere are now only part of "the plan to undermine the military institution" designed by the "dead wood in the country" currently emerging from their hideouts. Their major target is General Athit Kamlang-ek, who has been accused of fooling around with prostitutes in Stockholm on the day of the coup in Bangkok.

Have the newspapers in that country never lied before? Is every word they print reliable and factual? Dear Thai compatriots, we must keep in our mind that "soldiers are defenders of the throne." Whoever tries to undermine the military must harbor ill intentions toward the Thai people's beloved institutions. They are working systematically. The Swedish paper published the report on 11 September. The report was xeroxed and distributed in Bangkok on 15 September. The military has known for a long time which groups want to subvert it. Dear fraternal Thai people, you may recall that it was in Sweden that 10 years ago a rascal published articles defaming our monarch. Sweden is where "the landless persons" can live.

Major General Kamon Udomsin quoted Gen Athit Kamlang-ek as saying smilingly on the first day he set foot on the ground in Stockholm, "We do not dare go out because we are afraid of Aids. On the same day, Gen Athit Kamlang-ek turned down an invitation to a dinner party hosted by the Swedish telecommunications organization because he was "fed up" with European food after three meals on the plane. He and his party, therefore, chose to dine at the Japanese restaurant in front of the hotel.

After dinner, the supreme commander went to bed in his suite, No 416, on the fourth floor. Rooms No 417 and 418 were also occupied by members of his entourage. Any attempt to gain access to room 416 would have been detected by his entourage. "The cunning, white-eyed farang [Westerner]" lied shamelessly when he said that he had seen a girl going into Room 416. Worse still, that journalist called Room 416 and insistently asked questions such as who had invited the supreme commander here? Who was paying for

the accommodations? Was there a girl in his room? A Swede speaking English is not very different from a Chinese speaking Thai. Gen Athit Kamlang-ek had a difficult time understanding what he was saying and answering his questions. The journalist jumped to the conclusion that the supreme commander was in the room with a prostitute. The whole story came to its end when Colonel Winai Phatthiyakun went into the room to inform the supreme commander of the coup attempt; otherwise, the white-eyed character would have been able to sell his fabrication for many more days.

All types of leftist and communist organizations, both Thai and foreign, have offices in Sweden. Gen Athit Kamlang-ek was picked as their "target" because he has been fighting the communists furiously. Col Winai Phatthiyakun, commander of the First Infantry Battalion, came across "Ramasun" the day before yesterday and admitted that he had tried to make the arrangements for his colleagues, not his "boss." He had to give up his attempt, however, because he suspected that one "hooker" might be a "journalist" in disguise because she was asking so many questions. So, he opted for liquor instead.

At this point, we would like to ask the Swedish Government if it has taken any action to correct the misunderstanding. This is not the way to treat "the VIP leader" from Thailand. If nothing is going to be done to "clear" the misunderstanding, "Ramasun" will provide some girls from Oi B. M. for foreign VIP's who visit Thailand in the future and film their actions for later retaliatory display. When it comes to such an important issue, he is reluctant to speak out. "Ramasun" deems this the appropriate time for the "boss" to tell the real story to the people.

CSO: 4207/27

THAILAND

BRIEFS

CAPTURED SOLDIERS--Foreign Ministry Spokesman Sawanit Khongsiri, speaking to newsmen this morning about the capture of Thai soldiers by Vietnamese forces in Ta Phraya District, Prachin Buri Province, said the Foreign Ministry will present the case to the UN secretary general after obtaining all the details from the military. Sawanit pointed out that the Vietnamese vice foreign minister, who visited Thailand early this week, said that Vietnam wants smooth relations with Thailand. Moreover, only last week Vietnamese soldiers abducted Thai soldiers from Ta Phraya District. Deputy Foreign Minister Second Lieutenant Praphat Limpaphan raised this issue during his meeting with the visiting SRV vice foreign minister, and the latter explained that it was an accidental violation of the Thai border. Sawanit said if that was the case, Vietnam should immediately return to Thailand the soldiers it captured. [Text] [Bangkok Domestic Service in Thai 1200 GMT 11 Oct 85]

CSO: 4207/27

MILITARY AFFAIRS AND PUBLIC SECURITY

MILITARY EDUCATION AT HANOI UNIVERSITY REPORTED

Hanoi HANOI MOI in Vietnamese 5 Jul 85 p 2

[Article by C.B.: "Military Education at Hanoi Consolidated University"]

[Text] The Political Bureau's resolution pertaining to educational reform stipulated: "Gymnastics and sports and military education at universities and higher schools must be given due attention, aiming not only at the achievement of the formation of the full-blown individual, but also at contributing to the training of reserve officers for the people's armed forces."

Thoroughly understanding the spirit of the resolution, for several years the Hanoi Consolidated University has made military training a part of the regular curriculum for its students, conducted annual military training courses for the self-defense forces, and trained reserve officers with good success. Since the years of war against the Americans for national salvation, the university has instigated a profound transformation in the minds of its students in the matter of perception about military training. From the party organization and the faculty to bureaus, schools and classes, everybody attached importance to military training. Cadres and students gradually became more aware of their obligations in military education and in defending the fatherland, and reacted rightfully. Going through initial drills to combat exercises, successive generations of students learned military techniques, readied themselves for joining the armed services, and rapidly became combatants with high sense of discipline. Their names and their military feats were bound together with the university's glorious traditions such as Le Anh Xuan, Chu Cam Phong, Nguyen Trong Dinh, Ngo Van So, To Chuc and Vu Dung.

Especially, since 1979 when the university was given the mission of training reserve officers for the armed forces, learning military science has been elevated to the status of a required subject for training courses. The military subjects department was created and placed under the university's administration and was staffed with the first specialized cadres. After only a short period of time, cadres of the department were able to write training programs and made preparation for their execution on their own. With the wholehearted support of the Political-Military School and the Chemical Warfare Command, after three classes, the university fulfilled its training plan in a very satisfactory manner. Military subjects became a discipline with a group of able instructors who distinguished themselves in handling every task in

the training process. The system of training programs, lesson plans, training sites, quarters, classrooms and specialized rooms was gradually improved and perfected. In accordance with curricular requirements determined by the Department of Schools of the Ministry of Higher and Vocational Education, the university's military science department has formulated a tightly closed curriculum which meets the fundamental requirements of a unified educational statute in a systematic, total, highly specialized and pragmatic manner. The pervasive philosophy of this curriculum is a thorough understanding of the training objectives and requirements in the framework of the long-range building of the armed forces and the standardization of training subjects. The department set up a training plan that ensured the quality of each training period for a determined number of students, commensurate with management, instructor and physical infrastructure capabilities and, at the same time, it made necessary arrangements to make available regular courses and reserve officer training special courses. The ratio between classroom and field exercises was rationalized, with 70 percent of the time set aside for drills and combat exercises in military subjects, tactics, infantry technique and maneuver. Specialized bureaus were created within the department, such as the marksmanship bureau, the people's war bureau, the antinuclear weapon defense bureau, the political warfare bureau, the operations and special supplies bureau, etc. The new organizations made military learning more attractive for the students and enhanced training quality by the same token.

After 6 months of training reserve officers and other military training courses, most noteworthy was the fact that the sense of discipline, the serviceman's demeanor, collective living and internal order showed visible signs of progress. Political officer courses graduated 100 percent of their students, who were then commissioned. Compared with other training classes, those courses were considered exemplary in terms of student demeanor and efficient organization. As the university found out through its followup and survey activities, almost all reserve officers assigned to agencies and units were evaluated as cadres with good technical skills, good morality and a keen sense of responsibility. Trainees assigned for duty at army units were commissioned at the minimum required time or earlier.

In addition to specialized training, teaching military knowledge and military training is an important task of military education in universities and higher schools. The Hanoi Consolidated University is most experienced in this work. Speaking of the causes of the success of the institution, Lieutenant Colonel Hoang The Lam, director of the military department, once affirmed:

"The correct perception of cadres and students in the whole school added to the enthusiasm of the instructors--army combatants on a new front--are the ingredients of the strength of our department. In close coordination with other faculties, through military education and the teaching of militarized discipline, we are continuing our efforts to enhance the overall quality of education for generations of students at the university."

PARTY ACTIVITIES AND GOVERNMENT

COUNCIL OF MINISTERS DECISION ON IMPORTS AND EXPORTS

Hanoi HANOI MOI in Vietnamese 9 Jul 85 p 1, 3

[Highlights of: "Council of Ministers Decision on Policies and Measures To Step Up Exports and To Strengthen Import-Export Management"]

[Text] The Council of Ministers has recently issued a decision regarding policies and measures to boost export and to strengthen export-import management. Following are the highlights:

Article 1. Ministries and the Export Management General Department (hereinafter referred to as ministries), people's committees of provinces, cities and special zones directly under the jurisdiction of the central government (hereinafter referred to as provinces), people's committees of districts and of central agencies (hereinafter referred to as districts), and production units in the whole country having the duty to develop the production of export products and to contribute to the expansion of export and import activities shall, in accordance with the state's work distribution and foreign trade management structure, mobilize all potentials of the state and of citizens at all central and local levels to step up the production of export products in order to better address the needs of the entire nation and of their sector, locality and unit in import products.

Article 2. Ministries, provinces, districts and production units shall draft as soon as possible, appropriate projects aiming at the rational and most efficient use of land, resources and labor, and on the basis of these projects, formulate long-range plans for the period 1986-1990 and annual plans for the production development of export products.

Plans for the production development of export products and export and import plans shall be the components of economic development plans of ministries, provinces, districts and production units and must be submitted for approval as attachments to economic development plans.

Article 3. The state shall increase investments in breadth and depth in the production of export products and of raw materials for the manufacturing of export products.

All 5-year and annual plans for the production and purchasing of export products shall reflect both in-kind and cash activities. The State Planning

Commission shall strive to ensure the provision of sufficient allotments of capital, material supplies, raw materials, electricity, etc., for export production plans and shall, with regard to plans for the purchasing of export products (if those products are made by the collective and individual areas), reinvest at least 50 percent of foreign currency or material supplies earned through export for the production and purchase of export products. In the meantime, sectors and units of all levels must try to use to the optimum their own resources in material supplies in addition to those allotted by the state.

The State Bank shall have the responsibility for setting aside sufficient domestic capital in order to give in priority loans requested for the expansion of export production, and shall guarantee loan requests made to foreign countries by localities and economic organizations for the purpose of developing export production.

Article 4. The state shall determine regulated norms for ministries and provinces for production and delivery of export products to the central government. Ministries and provinces shall strictly observe those norms and may exceptionally request temporary reductions only when confronted with unexpected, overwhelming difficulties, such as natural disasters and other serious impediments in production. The formulation of the export production plans and export plans, and the determination of regulated norms shall be made in accordance with current planning procedures (Determination No 159-HDBT dated 8 December 1984).

The State Planning Commission shall, in conjunction with the Ministry of Foreign Trade, make recommendations to the Council of Ministers about detailed instructions for the execution of this article.

Article 5. Over and above state-regulated norms, ministries and provinces are encouraged to apply themselves to produce additional export products.

That portion of export products which is above or beyond regulated norms shall be considered export products belonging to ministries and provinces. Ministries and provinces shall be allowed to export those extra products directly or by proxy, and shall have the right to use foreign currency earned therefrom in conformance with Article 15 hereafter. If the state requests that the extra quantity be consolidated and exported directly by the state, ministries and provinces shall receive the same benefits as if the products were exported by proxy.

Article 6. With regard to export products made by localities or economic organizations directly under the jurisdiction of ministries with capital in foreign currency which is self-procured or loaned from the Bank of Foreign Trade or from foreign sources and whose repayment is the responsibility of the borrower, said locality or central-level economic organization shall have the following benefits:

a) It shall be exempted from delivery of export products to the state from 3 to 5 years (according to the type of export product and its varied investment requirements), effective the day the export product is made. In special

circumstances, when the product is delivered to the state which directly takes charge of its export, the producer shall have the permission to use all the foreign currency earned minus export expenses.

b) It shall be exempted from remitting to the central government that part of foreign currency due for the first 2 to 3 years after the newly invested export product is made, or such remittance shall be reduced as appropriate.

Article 7. The standardized allotment of material supplies and necessary commodities, including grain and staple commodities for the production and purchase of export products for the central government is determined as follows:

1) Any organization vested with regulated norms for the production and delivery of export products shall be given standardized material supplies for said production.

2) With regard to export products made by economic organizations directly administered by ministries, the state shall provide standardized material supplies to ministries for further supply to production units.

3) With regard to export products made by economic organizations administered by the locality (encompassing state-operated, collective and individual units) which are in charge of delivery to the central government for export per regulated norms, the state shall deliver to general corporations or to the federation of enterprises through ministries which are given the responsibility for exporting the product, standardized material supplies and commodities (including grain as required) proportionately with the quantity of exported products to be delivered per planned norms, and in the meantime, the state shall inform provincial people's committees about said norms. In cooperation with provincial people's committees, ministries shall provide guidance for their respective economic organizations in signing contracts for the provision of material supplies and for the delivery of export products, and shall monitor and supervise the execution of those contracts.

4) It is forbidden to use material supplies provided by the state for export production for any other purpose.

Article 8. The state shall guarantee priority for the provision of material supplies, raw materials and other production means for the production and purchase of export products. Nomenclature lists of export products, of enterprises specialized in the production of export products, and of organizations in charge of purchasing and marshalling export products that need to be given priority in the provision of material supplies, shall be annually published by the State Planning Commission.

Suppliers of material supplies have the responsibility for providing to export production units that have priority rights those supplies in sufficient quantity, in the right specifications and quality, at the right time and place, and at official prices (in terms of material supplies under state-managed uniform prices.)

Article 9. It is forbidden to export products that do not meet quality standards.

The state S & T Commission shall, in coordination with the Ministry of Foreign Trade and other related ministries, review the system of quality standards for export products, starting with important products generating large cash returns, and shall recommend to the Council of Ministers for promulgation a statutory determination on quality management in order to ensure and enhance export product quality.

Ministries, provinces and production units making export products shall have the responsibility to ensure the production and the delivery of export products that meet quality norms and shall strictly carry out all statutory regulations pertaining to export product quality.

Article 10. The encourage production development and quality improvement of export products, purchasing prices of export products are hereby adjusted as follows:

Purchasing prices shall ensure the compensation of production expenses in material supplies and labor in conformance with a rational set of economic and technical standards in order to make high-quality products generating a profit margin 10 to 20 percent higher than a product for domestic consumption would.

On the basis of the new profit margin, there shall be a clear-cut determination of quality levels that aims at vigorously encouraging producers to make export products of equivalent to or better in quality than international standards.

The State Commodity Price Commission shall, in conjunction with the Ministry of Foreign Trade and the Ministry of Finance, provide further execution details and guidance for the execution of this determination.

Article 11. The Ministry of Finance shall, in cooperation with the Ministry of Foreign Trade, submit to the Council of Ministers appropriate recommendations for the creation of the export price subsidy fund and the promulgation of an export and import tax system.

Article 12. The State Bank shall be responsible for carrying out Article 2, Chapter IV of Resolution No 156-HDBT dated 30 November 1984 of the Council of Ministers relative to cash procedures applicable for export production units and shall apply this determination for organizations in charge of purchasing export products.

Article 13. The Ministry of Finance, the State Commodity Price Commission, the State Bank and the Ministry of Foreign Trade shall submit a recommendation to the Council of Ministers for promulgation of a new ratio for foreign currency remittance and shall periodically review said ratio in function of average prices.

Article 14. Regime of awards for delivery of export products:

Awards in Vietnamese Currency:

Collective production units (cooperatives and production cooperation teams and groups) that completely fulfill their tasks in meeting state-planned norms in the production and delivery of export products shall be awarded a bonus in Vietnamese currency equal to 4 to 5 percent of the value of the contract (minus the value of material supplies provided by the state for production.)

Awards in the Form of Right to Use Foreign Currency:

State-operated units of central and local levels that complete state standards pertaining to the production and delivery of export products and that fulfill their responsibility for delivering export products to the central government shall be authorized to use 10 percent of the net earning in foreign currency after deductions are made for that part of foreign currency spent for the import of material supplies and raw materials directly used by the export production unit. These awards in foreign currency may be used for the import of commodities in any foreign market where the export products are exported.

The State Planning Commission, the Ministry of Foreign Trade, the Ministry of Finance and the State Bank shall be responsible for the provision of further instructions for the execution of this determination.

Article 15. With regard to export products above or beyond regulated norms, or whose production was not allotted corresponding raw materials by the state per regulated norms, ministries, provinces and production units shall be entitled to 70 to 90 percent of the proceeds in foreign currency (per export price FOB) when they directly or by proxy export these products, the balance of earnings (10 to 30 percent) being remitted to the central foreign currency fund. The Ministry of Foreign Trade shall determine the appropriate ratio for each type of product.

Mountainous provinces in the north, provinces in the high plateaus and mountainous districts of other provinces shall be forgiven from remitting the balance of earnings to the central government for 5 years starting from the time the export product is made. Other provinces and districts experiencing economic or living condition hardships may request the Council of Ministers to reduce or forgive the remitting of the balance of earnings for a fixed period of time in function of local conditions.

If a ministry or province does not live up to its duties concerning the delivery of export products per regulated norms or the remittance of the balance of earnings, the Bank of Foreign Trade shall be permitted to debit the foreign currency account of the delinquent ministry or province in favor of the central foreign currency fund and if this transaction is insufficient to compensate the liability, a debit shall be made the following year. If after 2 years, total compensation cannot be made, the delinquent ministry or province shall have its license for direct export and import revoked.

Article 16. Export and import organizations at the central level which export commodities produced over regulated norms shall also be permitted to use 70 to 90 percent of foreign currency earnings (per export price FOB) depending on the type of commodity. The balance of earnings shall be remitted to the central foreign currency fund.

Export and import organizations at the central level that borrow foreign currency from the Bank of Foreign Trade or from foreign countries to make products for export, shall be permitted to use 70 percent of foreign currency earnings after they have paid off the loan capital and interest.

Export and import organizations shall deposit these foreign currency earnings in personal accounts at the Bank of Foreign Trade and shall be authorized to use this capital in the development of their export and import business.

Article 17. Business organizations providing services shall be permitted to use 10 percent of their earnings in foreign currency if they meet foreign currency earning standards determined by the state. For any amount above and beyond these standards, the provider of service shall be authorized to use 70 percent of the extra earnings. The service business shall have the right to use these foreign currency earnings to import material supplies and commodities only to expand the unit's business; use of these foreign currency earnings for purposes other than above-indicated shall be prohibited.

Article 18. The state shall institute a system of awards in the form of sale of material supplies at market prices in addition to the amount of material supplies allotted per economic and technical standards for the production of export products. Sectors and localities shall have the authority to use this source of material supplies for investment in export production development or for addressing their general needs in economic development.

The State Planning Commission and the Ministry of Foreign Trade, in function of the needs of each sector and each locality in investments for export production development, and in accordance with the state's direction of effort, shall determine the appropriate quantity of these sale-awards for each type of commodity.

Ministries and provincial people's committees, on the basis of the ratio of sale-awards for each type of export product and of the needs in investments for the development of sources of export products, shall decide the distribution of portions of those sale-awards of material supplies for enterprises, corporations or districts and villages that supply export products.

Article 19. The State Planning Commission shall set aside appropriate amounts of foreign currency and material supplies in the annual plan for the implementation of Articles 3, 13, 14, 15, 16 and 17 above.

Article 20. To save foreign currency, only the import of production materials and staple commodities shall be permitted and by the same token, the import of luxury goods, of any variety of good that is produced domestically in sufficient quantity, and of any consumer good that is not appropriate with the state consumer policies shall be prohibited.

Article 21. To uphold the state's monopoly in foreign trade and exchange, it is hereby determined that:

1) Any export and import activity of central-level sectors, localities and base units shall be placed under the management of the state and of the Ministry of Foreign Trade, and shall ensure the strict compliance with state rules and regulations governing trade and exchange management, and export and import transportation management.

2) The following organizations alone are permitted to conduct export and import business:

--Export and import businesses directly under the jurisdiction of ministries or provincial people's committees created by decision of an authorized agency (as determined by the Council of Ministers) and holder of a license to directly do export and import business with foreign markets.

--Federations of enterprises or large enterprises recommended by related ministries and the Ministry of Foreign Trade and approved by the chairman of the Council of Ministers for doing direct export and import business.

3) Export and import businesses at the central and local levels shall rigidly observe state rules and regulations pertaining to market and price management in purchasing export products. State-operated organizations shall be strictly prohibited from hiking purchasing prices at will or to use any improper competitive way to buy export products. Private businessmen shall be strictly prohibited to compete with state-operated organizations in buying export products.

Export and import businesses of one province or city shall be barred from purchasing export products from another, unless explicitly permitted by the latter's people's committee.

9458

CSO: 4209/16

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

ORGAN OF CONTROL'S PREROGATIVES--On 2 July, the city People's Organ of Control and the propaganda and training committee of the city party organization convened a press conference to introduce the functions, missions and authority of the People's Organ of Control on the occasion of the commemoration of its 25th anniversary. In attendance were representatives from news and press agencies of the central level and of the City of Hanoi, and propaganda and training, judicial, and cultural and information cadres. Comrade Le Ngoc Cu, acting director of the city organ of control, presented an outline of its missions, functions and authority which are determined by law. Said he: "The People's Organ of Control controls compliance with the law and the authority to prosecute through five principle tasks: to control compliance with the law as determined in legal and regulatory documents and in measures instated by state agencies, and to control the deeds of state personnel and citizens; to control investigations made by the police and by other investigating agencies; to control proceedings of the people's courts; to control the execution of court sentences and other executory court rulings; to control custodial and reeducation measures." After presenting the organizational structure of the Organ of Control, the comrade acting director went on to give details of its activities in the last 25 years, and the growth of Hanoi's Organ of Control. In terms of the direction of its efforts and of its missions in the immediate future, the Hanoi Organ of Control will strive to perform its functions well in order to contribute in enhancing the efficiency of the state in the framework of the dictatorship of the proletariat, and to strengthening the socialist judicial system. A question-and-answer period followed, in which the acting director responded to questions about the functions, missions and authority of the Organ of Control. [Text] [Hanoi HANOI MOI in Vietnamese 6 Jul 85 pp 1, 4] 9458

CSO: 4209/13

HEAVY INDUSTRY AND CONSTRUCTION

URGENT NEED FOR HOUSE REPAIR MATERIALS STRESSED

Hanoi HANOI MOI in Vietnamese 5 Jul 85 p 3

[Article by Vuong Thuc: "Real Estate Sector and Production of Materials for House Repairs; Materials for House Repairs Are Peculiar, in Great Demand But in Short Supply Because of Sluggish Purveyance; Many Units in Sector Are Engaged in Disorderly Production of Materials for House Repairs; Production Is Both Meagre and Scattered; Views of Various Directors"]

[Text] Most houses in Hanoi were built between 20 and 100 years ago. They have considerably degraded and deteriorated due to wear and tear and war destruction following the resistance against French colonialists in December 1946 and the "thundering carpet bombing raids" of U.S. imperialists from 1965 to 1972, especially the B-52 attacks lasting 12 days and nights at the end of December 1972. A real estate service investigation shows that, of over 7 million m² of houses in all Hanoi more than 40 percent need restorative repairs. In old street areas, the percentage is much higher. For that reason, the city must spend a noticeable amount of money on house repairs each year. Resolution Eight of the Political Bureau on projects in the nation's capital and the resolution of the VCP municipal organization ninth congress emphasized that "repairing old houses is as important as building new houses." As a result, there has been progress in house repairs in Hanoi in recent years. Building units of the real estate sector increased the total value of their work from more than 9 million dong in 1982 to 36 million in 1983, nearly 85 million in 1984 and a round 100 million in 1985--a big and highly significant figure.

The city has supplied considerable quantities of provisions to the real estate sector for house repairs. However, because of difficulties only 40 to 60 percent of the latter's requests could be filled each year by the building service. Therefore, in many instances only B- and C-grade supplies were available--not to speak of very long trips for pickup. Delays were commonplace. There were no deliveries at the beginning of each month and each quarter. By contrast, at the end of each quarter and each year, deliveries came in quick succession, impeding the transportation, storage and maintenance process and affecting construction pace. Repairing an old house is not like building a new one in Hanoi. There, old houses are unusually multiform, requiring repair materials of various kinds and sizes. Accordingly, builders are compelled to modify materials received from suppliers, or to produce special materials to fit their own needs--a time-consuming and costly activity.

To overcome these snags, the sector's building units have achieved economic cooperation and association with other units inside and outside the province to acquire supplies, including cement, iron, steel, lime, wood, stone and yellow sand. Nevertheless, these connections and the inflow of state supplies can meet only 60 to 75 percent of the needs of the sector's building force--let alone those of the people craving materials to repair by themselves but unable to buy them from the sector. At present, due to effects of the flat-allocation system, people must wait a considerable amount of time for state agencies to consider repriming their houses and must make very tiring return trips for related paperwork. They want to fix their houses on their own but cannot buy materials. The whole real estate sector has just one retail store for house repair materials at 31 Nguyen Thiep St; what's more, that outlet is not only tiny and cramped but also perennially short of "staple" items, such as iron, steel, wood, bricks and tiles. Sometimes, it is hard for people to purchase from the state even a few tiles to stop a leak, or a piece of wood to replace a rotten beam, or some bricks to pave a damaged yard section. Out of despair, they must buy repair materials from privately owned "guillotines," or by flagging down "kindhearted" truck drivers along highways and greasing their palms.

To "save themselves," providing adequate employment to cadres, workers and civil servants and fulfilling state norms, real estate building units must take upon themselves to produce materials for house repairs.

The enterprise for supply of materials has spent up to 500,000 dong to build a brick kiln in An Duong, planning to make 2 million cement block, patterned facing bricks and square bricks for sidewalks per year. It has also organized contract production of patterned facing bricks through selling raw materials to and buying finished products from state-operated and collective units in the An Duong patterned bricks enterprise and Truc Bach and Phuc Tan Subwards. Similarly, the enterprise for building and installing sanitation equipment has fired bricks in Cau Dien for its own use and set up a shop to produce septic tanks in precast concrete and concrete slabs for use as bathroom roofs and as covers for sanitation fixtures, gas outlets and sewers, and also to make patterned facing bricks. The corporation for house repairs, the real estate sector's largest building unit, eager to achieve this year's norm of 50 million dong in total work value, notwithstanding a serious shortage of supplies, has turned itself into a producer of materials for house repairs. All its four worksites and three enterprises have their own carpentry and machine shops to make custom materials. Its Tam Da enterprise has been commissioned to produce standardized concrete structures, such as slabs and panels and cement 30 cm x 30 cm sidewalk bricks and patterned facing bricks. The corporation has coordinated with the university to put into practice a theory on precast concrete production, making it possible to turn out small and light structures fit for repair work and ready for instant delivery, regardless of quantities. As a partial remedy for the baked brick shortage, the corporation has produced silicate bricks for use in building projects wherever permitted.

Thus, the real estate sector's involvement in production of materials for house repairs conforms to current realities and has brought about great effects.

Production of materials has enabled units in the building group to forge a closed process from economic accounting to business and from acquisition of raw materials and production of provisions to construction, making the building pace faster and neater. It has also enabled the real estate sector to generate a remarkable volume of supplies each year. The enterprise for supply of materials produces 1 million cement blocks, 260,000 marble bricks, including 60,000 produced under contract, and some sidewalk bricks reprocessed from scraps. The enterprise for building and installing sanitation equipment produced 2 million baked bricks in Cau Dien, from 600 to 700 septic tanks in precast concrete and some 20,000 patterned facing bricks. The corporation for house repairs produces each month from 15,000 to 20,000 silicate bricks, from 8,000 to 10,000 patterned facing bricks and from 120 to 140 m³ of precast concrete. Each year, with homemade materials the sector fills from 15 to 40 percent of all its needs, depending on kinds of supplies and totaling about 10 million dong. This is a great source of profit. Units in the sector have also bartered part of their homemade provisions with friendly counterparts for great quantities of raw materials needed for reproduction; or have helped each other in the field of transportation. The sector is now able to retail homemade materials to the people, allowing them to repair their houses by themselves, according to the motto of "the state working together with the people." In addition, contract production of materials for house repairs has provided employment to many subward laborers.

In the face of requirements and duties of the whole sector, however, production of materials is small, weak and scattered. During visits to the sector's building units, we noted that production space was cramped: 400 m² at the An Duong enterprise and 200 m² for concrete production at the enterprise for building and installing sanitation equipment. Machinery and equipment were inadequate and heterogeneous. Each unit had only a few brick presses, lacking conveyor belts, cranes, coal, oil and electricity because capital was insufficiently allocated or doled out bit by bit. For instance, only 60 tons, out of the year's quota of 450 tons of coal, were delivered to the enterprise for building and installing sanitation equipment in Dong Anh. As a result of repeated complaints, enterprise personnel were authorized to go to Hon Gai and Uong Bi to pick up the remainder, but again when they arrived there was no more coal. The enterprise had to borrow coal and exchange C-grade bricks for 100 tons of coal and 15 steres of firewood. A real ordeal! Production of materials at the enterprise for supply of provisions in confronting a dilemma over electricity and other problems. A breakdown at the Yen Phu auxiliary electric power station, the sole supplier of electricity, forced the enterprise to turn to the An Duong patterned facing brick factory, but relief was only minimal. In the past, the enterprise set up a water system; but since the latter was inadequate, a water tank with a 10 m³ capacity was built. Again, the new facility is found inadequate and the enterprise is now getting ready to dig wells. Moreover, to level the ground for more production space, each unit has asked to be allotted a T-100 bulldozer and additional means of transportation as well.

In light of that situation, what should the real estate sector do concerning production of materials? This question has been a headache for the sector's economic managers in the past few years. Through statements made in public

and in private, leading corporation and enterprise cadres have affirmed that it is now necessary for the sector to make materials for house repairs on its own and to expand this activity further. However, there still are many different views on how to organize production and investment. These views are mentioned below for the sector to consider and find the most appropriate approach.

Nearly all unit directors have agreed that the real estate sector should have a unit in charge of production of materials for house repairs, which is strong, independent, not attached to any unit, under control of the real estate service and subject to planning and specialization. Engineer Ngo Xuan Hong, deputy director for the corporation for house repairs in Hanoi said, "The sector is now experiencing an irrational and very diffuse situation. Some units are forced to produce and produce a single category of materials such as bricks and concrete, although they are not yet able to do so. We should have only one unit and should produce essential, high-quality and standardized products and in large quantities." Quy, director of the enterprise for building and installing sanitation equipment, stated instead, "The enterprise for supply of provisions should be commissioned to do the job, thus releasing building units from that duty and enabling them to concentrate on their assigned specialty. But the enterprise for supply of provisions now has limited capabilities. To meet the needs of building units, the real estate service should invest more." Similarly, Ngat, director of the enterprise for supply of provisions, said, "Large-scale production requires capital, raw materials, provisions, patronage by superior echelons and also a contingent of competent managerial and scientific and technical cadres. The sector should go ahead if these conditions can be met." These views, drawn from real life, should deserve attention.

The need for repairs has been on the rise, entailing a need for increasing quantities of materials for house repairs. For that reason, we hope that the real estate sector will promptly find the best blueprint for production of materials. If large-scale production is not yet possible, it should make rational reassignments while fully utilizing production installations' existing capabilities. It may be advisable to direct the enterprise for building and installing sanitation equipment to specialize in producing baked bricks and tiles; the enterprise for supply of provisions to produce additional outside-of-plan supplies and to make silicate bricks; and the corporation for house repairs to specialize in small and light precast concrete structures and various kinds of paving bricks. Only in this way can the sector make appropriate investments in both capital and machinery and equipment, thus enabling production to develop with every passing day, effectively serving house repairs in the cities and eliminating the current practice of producing materials in a scattered, weak, insignificant, passive and anarchic manner.

9213
CSO: 4209/15

LIGHT INDUSTRY

IMPROVEMENT OF PRODUCTION RELATIONSHIPS URGED

Hanoi HANOI MOI in Vietnamese 2 Jul 85 p 3

[Article by Minh Hoang: "Looking at Small Industry and Handicraft Production Units: Strengthening Socialist Collective Production Relationships, an Urgent and Vital Mission"]

[Text] Recently, certain unpleasant incidents transpired from the system of socialist collective production relationships and, at times, conflicts were so acrimonious that they prompted management of the city Federation of Small Industry and Handicraft Enterprises to warn districts, precincts, towns and goods sectors that they ought to take corrective measures and had to see to it that these measures were infinitely urgent and vital.

In the cooperative area, the most rampant and serious problem has been the lack of internal unity. Cases of disunity were multifold and differed from place to place, but generally speaking, they stemmed from instability in production and business due to difficulties in material supplies and raw materials, inadequate product planning, slow production development, business losses, low income of cooperative members, lack of democratic rules in the distribution of product contracting which was not done publicly and justly, etc. And those deficiencies induced suspicion, badmouthing, and a situation in which subordinates disobeyed orders from higher echelons and the latter ignoring their subordinates' recommendations. Certain cooperatives were equipped with a pretty good number of foreign machines and equipment, but did not receive adequate assistance to formulate an appropriate production plan. Consequently, their production development was slow and cooperative members experienced more difficulties in their standards of living. Those weaknesses made good breeding grounds for negative phenomena.

Looking at work cooperation teams, a quite common phenomenon currently observed has been an overabundance of business licenses which were issued without checking required skills or without making sure that applicants possessed the minimum requirements in matters of production infrastructure and tools and equipment. Worse, ignoring the city's overall production plan and related regulations that should have been applied when production permits were issued, certain products were made by whoever was able, usually with the simplistic reason of developing ward economy, of ward economic effort, and of "one hundred flowers blossom," etc, certain precinct, after months of stretching out to do business in the same way, has nowadays over 500 work cooperation

teams, but only over 300 of them are actually active, the rest existing in name only with the purpose of boasting good success in the accomplishment of economic reform. Quite a few other work cooperation teams took advantage of their status as collective production units to do business by proxy through hired workers that were unscrupulously exploited and abused.

Carrying out the resolution of the Eighth Plenum of the CPV Central Committee, Hanoi has been eradicating bureaucratic and overbearing vestiges and completely reverting to socialist business and accounting in order to create favorable conditions for developing production, stabilizing the people's lives, stepping up socialist reform, controlling the market, and stabilizing prices. As regards Hanoi handicraft workers, primarily those affiliated with cooperatives, although they are considered the backbone of the socialist economy and although their wages are partially paid in kind by the city (for units and persons having economic relationships with the state), nevertheless in the final analysis, one can only reap the benefits of his own toil and in business, both profits and losses must be accepted, therefore, these workers must be very sensitive to market fluctuations, and must do business in the most imaginative and resourceful manner. Those qualities are most acutely needed at a time when the state allotments in material supplies are limited. The price subsidy added in the wage and the crediting of this subsidized wage to product cost, and the complete eradication of bureaucratic and overbearing attitudes can be done well only when production is relentlessly developed in the socialist style with economic accounting and computation of profit and losses, ensuring high productivity, quality and efficiency. To achieve the above, the prime requirement, which is also an urgent and vital necessity, is the strengthening of socialist collective production relationships, a matter which demands true internal unity and a good grasp of the collectivity that they have to work together in developing production, and in publicly, justly and democratically carrying out the principle of distribution according to labor.

9458

CSO: 4209/13

POPULATION, CUSTOMS, AND CULTURE

DAN PHUONG'S WEAKNESSES IN POPULATION CONTROL DISCUSSED

Hanoi HANOI MOI in Vietnamese 9 Jul 85 p 2

[Article by Ha Phong: "Dan Phuong's Weakness"]

[Text] Dan Phuong is a suburban district with the highest rice output and also a population growth rate--in excess of 2.4 percent--ranking first or second in the Hanoi area. It has managed to add about 3,000 persons per year to a total population of just more than 90,000. In recent years, despite a birth control proselytization effort, its population growth rate has decreased little--from 2.46 percent in 1983 down to 2.42 percent in 1984, with 2,985 births (3.17 percent) and 917 deaths (0.75 percent). Among parturients, 1,081 gave birth to their first child, 829 to their second child, 545 to their third child and 630 to their fourth child or more; 462 are multiparous and 425 are young parous (prior to age 22). Placement of IUDs, curettage and sterilization have achieved only 40 percent of assigned norms.

Of 15 villages in the district, 12 boast a population growth rate of over 2.5 percent. Typically, Phuong Dinh, a village of 7,133 inhabitants, with 281 births (3.95 percent) and 62 deaths (0.87 percent) in 1984, posted a steady growth rate of 3.08 percent. Other figures are: 2.86 percent in Lien Trung village; 2.69 in Tho Xuan village and 2.62 in Ha Mo village.

In 1983, after inspecting the birth control proselytization movement, the municipal guidance committee for population and family planning issued a notice clearly pointing out that Dan Phuong was the Achilles' heel of the movement. Aware of that situation and the need for redress, the district party committee held a meeting in January 1984 and issued Resolution 11 on population control, making it a very urgent task for all cadres, party members and people in the district; however, a year has passed and only little change has been noted.

Why then, have birth control activities been so weak in Dan Phuong? And will it be able to reduce population growth to under 2 percent in 1985? In the first place, there has been a lack of mindful guidance from local VCP committee echelons, administration officials and mass organizations, especially at the grassroots level. To some extent, the district guidance committee still gives the public health bureau and the Women's Union carte blanche to control population growth, resulting in weak activities in all 16 installations; worse

yet, in some of these installations, even guidance committees have not yet been set up or adequately staffed according to regulations. VCP committee echelons and the people's committee did meet many times to address the problem, but no tangible measures and policies have been adopted. What's more, cadres and party members are not exemplary, and it is commonplace that district cadres average from 3 to 4 children and village cadres from 5 to 6 children. A key cadre in the district people's committee has 5 toddlers. A standing member of the VCP district committee had 5 boys and girls, the youngest of whom is just several months old. Although she already has 3 boys, the wife of the Thuong Mo village party secretary gave birth to her fourth child, completely deadpan.

Trade union cadres and district youth and women's union secretaries have neither properly observed birth control measures, nor actively attended to family planning work. Meanwhile most births continue to originate from the young. A young woman--so young that she is eligible for Women's Union membership--boasts 4 children. Another woman in her early thirties, who has 6 or 7 children, keeps turning a deaf ear to birth control advice. A woman even said, "I give birth to my children and feed them. How can we, peasant wives, comply with birth control while cadres are free to give birth to scads of offspring?" Instead of setting an example for others to follow, many female teachers in the district have not properly carried out birth control measures. A teacher at the Tan Hoi basic general school gave birth to her eighth child. Most recently, teachers at the Lien Ha and Dong Thap basic general schools each gave birth to their seventh child. In Tan Hoi and Song Phuong, 3 teachers gave birth to their sixth child while most of their colleagues continued to give birth to their third, fourth and fifth child.

For years the birth control proselytization movement, submerged by numerous other activities, has unceasingly marked time. Compounding the situation further, the district public health sector has not regularly sent proselytization units into hamlets and villages. Women were not given either adequate amounts of propaganda and information about gynecologic exams, IUD placement and sterilization, or opportunities to take part in family planning. The district technical unit is composed of only three members, having no chief and deputy chief, and being unable to replace a member away on medical leave for already 3 months. Therefore, the district could not get a clear population picture in the villages and involve the grassroots level in birth control, resulting in cadres doing what they were told, in inconsistent progress and in very low percentages of IUD placement and sterilization. In 1984, IUD placement achieved only 38 percent of plan, sterilization 24 percent and curettage 50 percent. By the end of the first quarter of 1985, there were only 2,500 instances of IUD placement (22.9 percent) and 96 instances of curettage.

If 3,000 to 3,100 babies were born each year to Dan Phuong, it would need an additional 120 child-care centers and 600 female teachers; 80 kindergartens and 160 female teachers; 70 basic education classes and 80 teachers from both sexes; 20 pediatricians, 144,000 kg of rice, 12,000 kg of sugar, 6,000 m² of housing facilities and 1.5 million dong worth of drugs. Even if Dan Phuong had the highest rice output possible, it would still be incapable of footing

that bill. Since production is still fraught with difficulties, it is most important to implement birth control so as to maintain and raise the people's living standards. Naturally, these standards will be low if production development trails behind population growth.

Difficulties are many, but with its party organization's high resolve and its entire people's eagerness to exhibit more correct perceptions about the problem and a greater effort at addressing it, Dan Phuong will certainly and promptly make headway in birth control this year. This past January, the district party committee and people's committee issued Directive 10, consolidating the guidance committee for the birth control proselytization movement and taking steps to open five training courses for key cadres and related sectors. Cadres and people in Dan Phuong are determined to strive to push proselytization movements, including the birth control drive, vigorously forward.

During his recent visit to the district, State Council President Truong Chinh instructed, "Birth control is all the more pressing since Dan Phuong has little land and many people." This is food for thought and cause for the local people to set their hearts upon making Dan Phuong an outstanding district throughout, in keeping with the president's advice.

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